

Asia Symbol 2018-2019 SUSTAINABILITY REPORT



ASIA
SYMBOL

ABOUT THE REPORT

REPORT PERIOD

The reporting period is from January 1, 2018 to December 31, 2019. This report is the 4th sustainability report released by Asia Symbol, covering data from 2018 to 2019. The last report was published in June 2018. Due to changes in the calculation methods and reference standards of part of data, only data from 2018-2019 are included in this report.

REPORT BOUNDARY

The main body of the report includes Asia Symbol (Shandong) Pulp and Paper Co., Ltd., Asia Symbol (Guangdong) Paper Co., Ltd. There is no significant change in the scope of this report from the previous one.

In this report, the terms "Asia Symbol", "we" and "the company" refer to the company while "Asia Symbol Shandong" refers to Asia Symbol (Shandong) Pulp and Paper Co., Ltd., and "Asia Symbol Guangdong" refers to Asia Symbol (Guangdong) Paper Co., Ltd.

DATA SOURCES

The data was collected from reports, data, and statistics of relevant departments.

REPORTING BASIS

This report is based on the "Core option" of the Global Reporting Initiative (GRI) Standards.

THIRD PARTY ASSURANCE

The report has been verified by SGS. For details, please refer to the attached "Assurance Statement" (Page 94).

REPORT LANGUAGE

The report is in Chinese and English. In the event of any discrepancy between the two, the Chinese version shall prevail.

REPORT PUBLICATION

The report is published in print and PDF formats. For the PDF version, please visit Asia Symbol's official website at www.asiasymbol.com.

CONTACT

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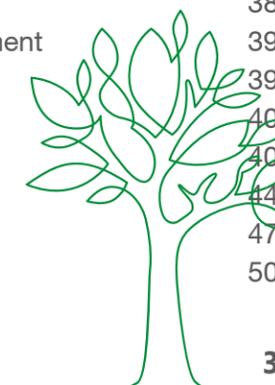
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THIRD PARTY ASSURANCE
GRI INDEX

2018-2019 KEY DATA



ECONOMY

- Total output of wood pulp, paper board and fine paper in 2019 is **3.59** million tons
- 2018-2019 total tax payment is RMB **3.9** billion
- Direct employment of **3,676** persons, with local employees comprising **81.2%** by the end of 2019
- Local procurement is RMB **2.94** billion



ENVIRONMENT

- Total environmental investment since the establishment of Asia Symbol is over RMB **5** billion
- **100%** traceability for source of wood chips and wood pulp
- **40.4%** of wood chips and 49.4% of wood pulp purchased are PEFC/CFCC certified in 2019
- **80.3%** of energy used in 2019 came from biomass
- Energy consumption per ton of pulp is **53.6** kgce/ton in 2019
- Energy consumption per ton of paper board is **234.3** kgce/ton in 2019
- Energy consumption per ton of paper is **186.1** kgce/ton in 2019



SOCIETY

- **0** explosion, **0** fire, **0** death, **0** occupational disease
- Community investment is RMB **8.94** million in 2018-2019
- Total employee volunteer service is **7,942** hours in 2018-2019

CHAIRMAN'S MESSAGE



It is my great pleasure to share with you Asia Symbol Sustainability Report 2018-2019. This is our fourth sustainability report.

In the past two years, the downward pressure of domestic economy, the slowdown in consumption growth, and the continuing trade war, China's paper industry has faced several challenges such as the decline of economic benefits, the tightening of environmental protection requirements, and the increase of production and operational difficulties. Despite this, with the purpose of "Improving lives by developing resources sustainably", Asia Symbol always implements the vision of "Creating value for the Community, Country, Climate, Customer and Company", creates value for our stakeholders through expanding innovation, as well as makes our contribution to economic development, environmental protection and social inclusion.

CREATE VALUE FOR CUSTOMERS

We insist on creating value for our customers, support customers to improve the quality, efficiency and reduce the cost through our high-quality products and services. During the reporting period, we invested 1.4 billion RMB to strengthen product and process technologies, and successfully obtained 4 invention patents, 9 utility model patents, and national "High-tech Enterprise" recognition. We established a professional laboratory with the most advanced paper and pulp testing equipment. We launched a customization service to tailor the most suitable products for customers. We have also implemented a digital platform to improve the efficiency of our logistical capabilities, enabling us to deliver products within 24 hours. During the reporting period, customer satisfaction with us continued to improve.

CREATE VALUE FOR COUNTRY AND COMPANY

In the past two years, we adhered to a sustainable business model and continuously improved our business practices. Asia Symbol Shandong has become the world's leading pulp-paper integration enterprise, and the foreign-owned company with a leading investment scale in Shandong Province. Asia Symbol Guangdong Company's PaperOne™ printing paper is sold in more than 20 countries and regions such as Japan, South Korea and Hong Kong, becoming the world's most popular brand of paper, and its high-end printing paper occupies the first position in China's market share. In 2018-2019, the company's operating revenue was 33.38 billion RMB, with a total of 3.9 billion RMB of taxes paid to the government (including customs duty).

Asia Symbol actively implements the concepts of "localized procurement" and "localized recruitment" to promote local employment and economic development. In the past two years, our localized procurement amounted to 2.94 billion RMB, continuously driving the local economic development. The proportion of local employees in Asia Symbol Shandong accounted for 91%, and 61% in Asia Symbol Guangdong.

CREATE VALUE FOR CLIMATE

Asia Symbol is a supporter of the shift towards a more circular economy and a leader in low carbon development. Since its establishment, Asia Symbol Shandong and Asia Symbol Guangdong have invested more than 5 billion RMB in environmental protection, and each environmental protection indicator has reached the leading level in the industry. We achieved "Zero environmental incidents" and "Zero government punishment", and won the titles of "Environmental Integrity Enterprise" in Shandong and Guangdong respectively. In 2018-2019, Asia Symbol Shandong and Asia Symbol Guangdong invested more than 300 million RMB on ultra-low emission transformation to reduce the emission of air pollutants. At the same time, Asia Symbol increased the proportion of biomass energy use, reducing fossil energy consumption and GHGs. In 2019, the use of biomass energy (black liquor, wood fines, etc.) by Asia Symbol Shandong exceeded 80% of the total energy consumption of the whole plant, which reduced the annual CO2 emissions of the company by 3 million tons. With our implementation of responsible procurement of chips and pulp, all of our chips and pulp are 100% traceable. In 2018, Asia Symbol premium fine paper was rated as the "Energy Efficiency Leader" product in Guangdong Province. In 2019, Asia Symbol Shandong was rated as "Advanced Unit for Comprehensive Utilization of Resources in Shandong" by the Shandong provincial government.

Asia Symbol actively implements the core values of "continuous improvement". We carried out lean production with full staff participation to reduce waste in production operation, improve efficiency and reduce costs. In the past two years, employees have proposed 42,609 improvement suggestions (SS); 892 registered continuous improvement projects (CI), generating a revenue of 680 million RMB. In 2018, Asia Symbol Shandong introduced Six Sigma management technology. By the end of 2019, 27 Six Sigma Green Belt projects have been launched, and 25 people have obtained Green Belt certification.

CREATE VALUE FOR COMMUNITY

We are committed to grow together with our stakeholders such as employees, communities and partners. We value the rights and interests of employees, and also employee's development, health and safety. During the reporting period, Asia Symbol Shandong and Guangdong carried out large-scale environmental protection projects such as boiler ultra-low emission renovation, and achieved the goal of zero explosion, zero fire, zero death and zero occupational disease. We launched the "Apollo Plan" to create a new development plan and path for our employees. As a responsible corporate citizen, we have always supported charity and community development activities. In 2018-2019, Asia Symbol invested a total of 8.94 million RMB to support community development, and employee volunteers contributed a total of 7,942 volunteer service hours.

MAKE OUR CONTRIBUTION TO SDGs

Sustainable development is not only our development goal, but also our development approach. We adopted the United Nations Sustainable Development Goals (UN SDGs) as the framework for assessing our economic, social and environmental impacts. We firmly believe that enterprises will play a key role in achieving this important global agenda. In 2019, Asia Symbol identified our priority SDG targets via a robust process that considered not only the company's activities but also the needs of the communities where we operate. In the next step, we will incorporate SDGs into our core operation strategy to further consolidate our vision of "Creating value for the Community, Country, Climate, Customer and Company", and contribute to the realization of SDGs with practical actions.

Max Chen Xiaorong
Head of Asia Symbol Management Committee

01

ABOUT
ASIA
SYMBOL



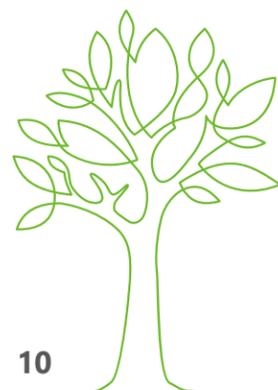
1.1 CORPORATE PROFILE

Asia Symbol, part of the RGE's group¹ of companies, is the world's leading large-scale pulp and paper manufacturer. Asia Symbol is headquartered in Nanjing, Jiangsu province and has two affiliated companies: Asia Symbol (Shandong) Pulp and Paper Co., Ltd. and Asia Symbol (Guangdong) Paper Co., Ltd.

Asia Symbol Shandong is located in Rizhao Economic Development Zone. It is one of the world's leading pulp and paper companies and the largest foreign investment company in Shandong Province. The company's main products are bleached hardwood kraft pulp, dissolving pulp, liquid packaging board and high grade ivory board, etc.

Asia Symbol Guangdong is located in Xinhui Yinzhou Lake Paper Industry Base, Guangdong province. It is one of the largest producers of fine paper in South China. The group's "PaperOne" brand high-end printing paper is currently sold in more than 20 countries and regions around the world, becoming one of the most popular office paper in the world, and owns more than a third of the market share in China.

COMPANY NAME	Asia Symbol (Shandong) Pulp and Paper Co., Ltd.	Asia Symbol (Guangdong) Paper Co., Ltd.
Date of Establishment	August 17, 2005	November 21, 2002
Ownership Nature	Sino-foreign joint venture	Sino-foreign joint venture
Number of Employees	2,496 persons	1,180 persons
Operating Revenue	RMB 10.33 billion	RMB 5.75 billion
Total Assets	RMB 19.56 billion	RMB 7.57 billion
Products	Bleached hardwood kraft pulp, dissolving pulp, premium ivory paperboard and liquid packaging board	Premium fine paper
Output	2 million tons of pulp and 0.56 million tons of paperboard	1 million tons
Market	Wood pulp is mainly sold in China; Paperboards are mainly sold in China, Southeast Asia, Middle East, Europe, etc.	Sold in more than 20 countries and regions such as Japan, South Korea and Hong Kong
Business Address	No.369, Beijing Road, Rizhao Economic Development Zone, Shandong Province	No.1 Ruifeng Industry Zone, Shalu Village, Shuangshui Town, Xinhui District, Jiangmen City, Guangdong Province
Important Changes	Pulp board production capacity increased to 2.235 million tons	



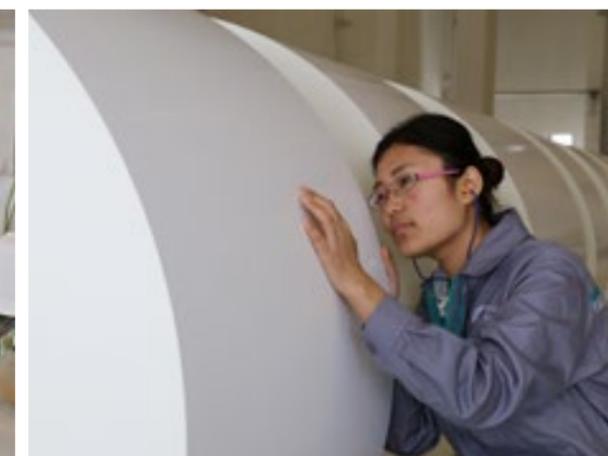
¹ RGE (Royal Golden Eagle) manages a group of resource-based manufacturing companies with global operations. While our core competencies lie in growing and harvesting trees, and energy resource development, our companies across various sectors also produce and distribute a diverse range of quality products. RGE official website: <https://www.rgei.com/>



•PRODUCTS OF ASIA SYMBOL SHANDONG

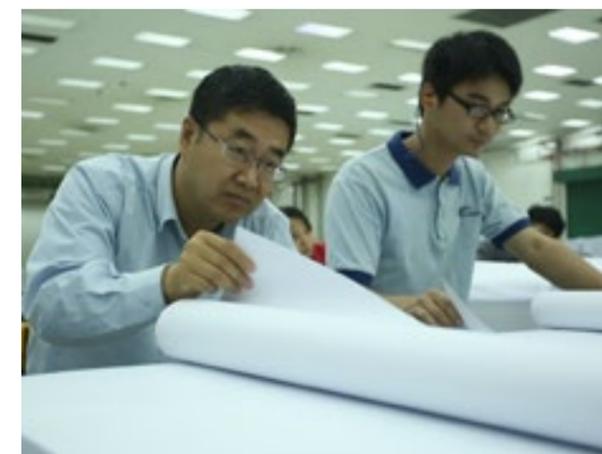


Bleached hardwood kraft pulp, dissolving pulp



Premium ivory paper board and liquid packaging paper board

•PRODUCTS OF ASIA SYMBOL GUANGDONG



Premium fine paper



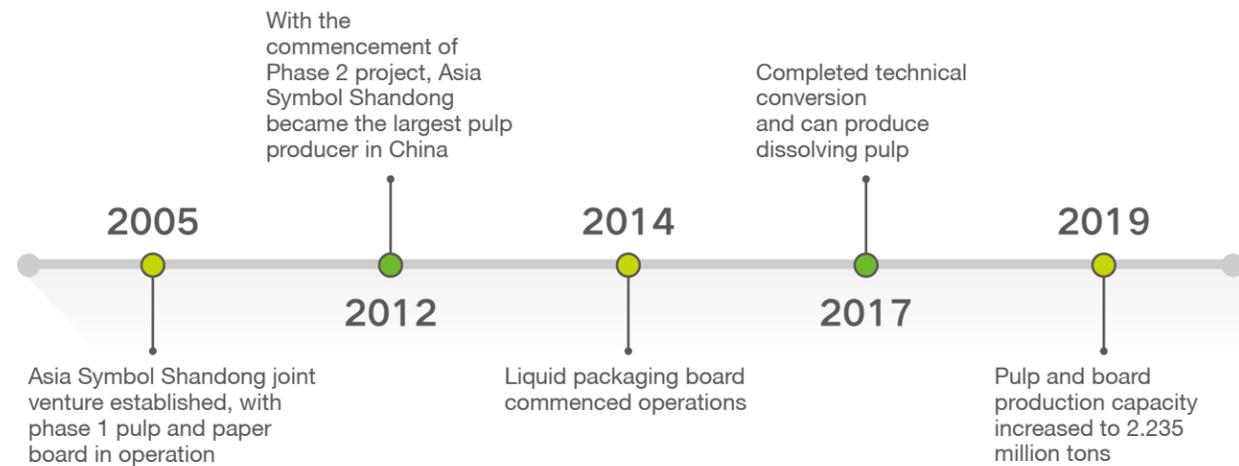
Printing paper

•PULP AND PAPER BOARD BRANDS OF ASIA SYMBOL SHANDONG



•MILESTONES

Asia Symbol Shandong



•PRINTING PAPER BRANDS OF ASIA SYMBOL GUANGDONG



PaperOne printing paper is PEFC/CFCC certified



GreenOne printing paper is PEFC/CFCC certified



Golden Color Classic and Golden Color All Purpose printing paper are PEFC/CFCC certified



Ace Print Classic and Ace Print Digital Paper are PEFC/CFCC certified



Other printing paper brands

Asia Symbol Guangdong

Asia Symbol Guangdong was established and mainly engaged in production and sales of fine paper



1.2 CORPORATE GOVERNANCE

Asia Symbol Group manages and supervises the affiliated companies via Asia Symbol Management Committee in headquarter, meanwhile each company has independent board of directors.

The management committee comprising a head and three members, is responsible for making decisions on major issues, such as company strategy, business development, safety & environmental protection, social investment, budget, personnel, etc., and supervises Asia Symbol's operation in accordance with the company's development strategy and plan.



CHEN XIAO RONG

Head of Asia Symbol Management Committee



Lee JIAN SHAO

Member of Asia Symbol Management Committee



HUNG CHING LUNG

Member of Asia Symbol Management Committee

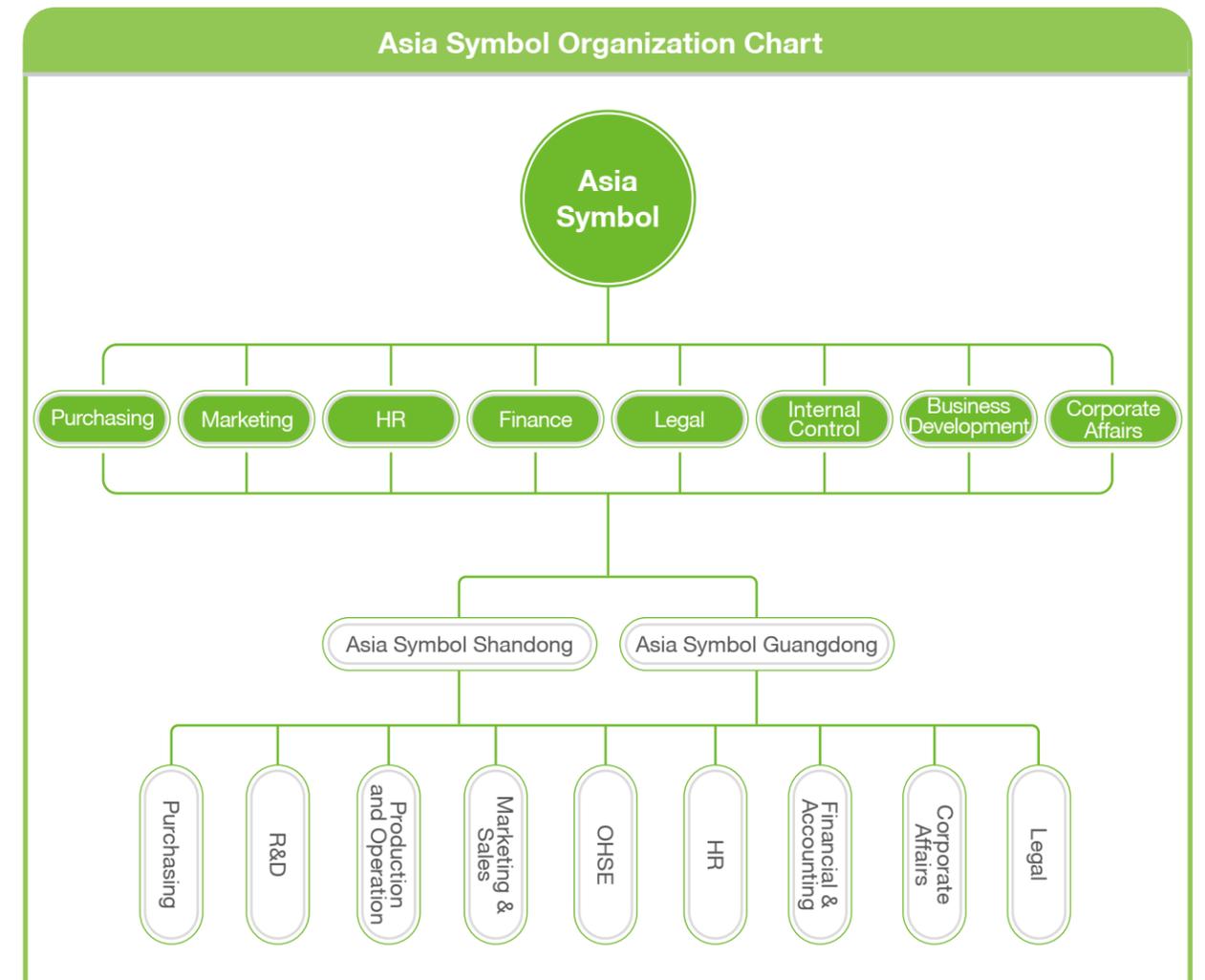


WANYAN SHAOHUA

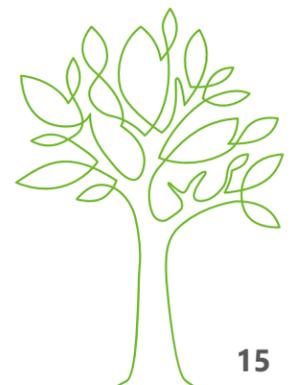
Member of Asia Symbol Management Committee

The management committee convenes adhoc meetings to discuss special issues at least once every two months, including coordinating the operations of Asia Symbol Shandong and Asia Symbol Guangdong, defining integrated business strategies along the value chain of Asia Symbol, identifying cross-department collaboration opportunities, and monitoring business performance and coordinating follow-up action plans. There are special members in charge of sustainable development issues in the management committee. Asia Symbol Sustainability Report must be approved by the management committee.

The Board of Directors makes decisions about company issues in accordance with the company's constitution. Under the leadership of the Board of Directors, Managing Director is responsible for managing the company's daily operations.

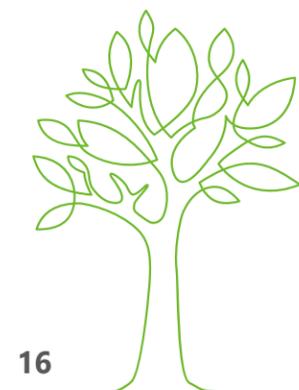
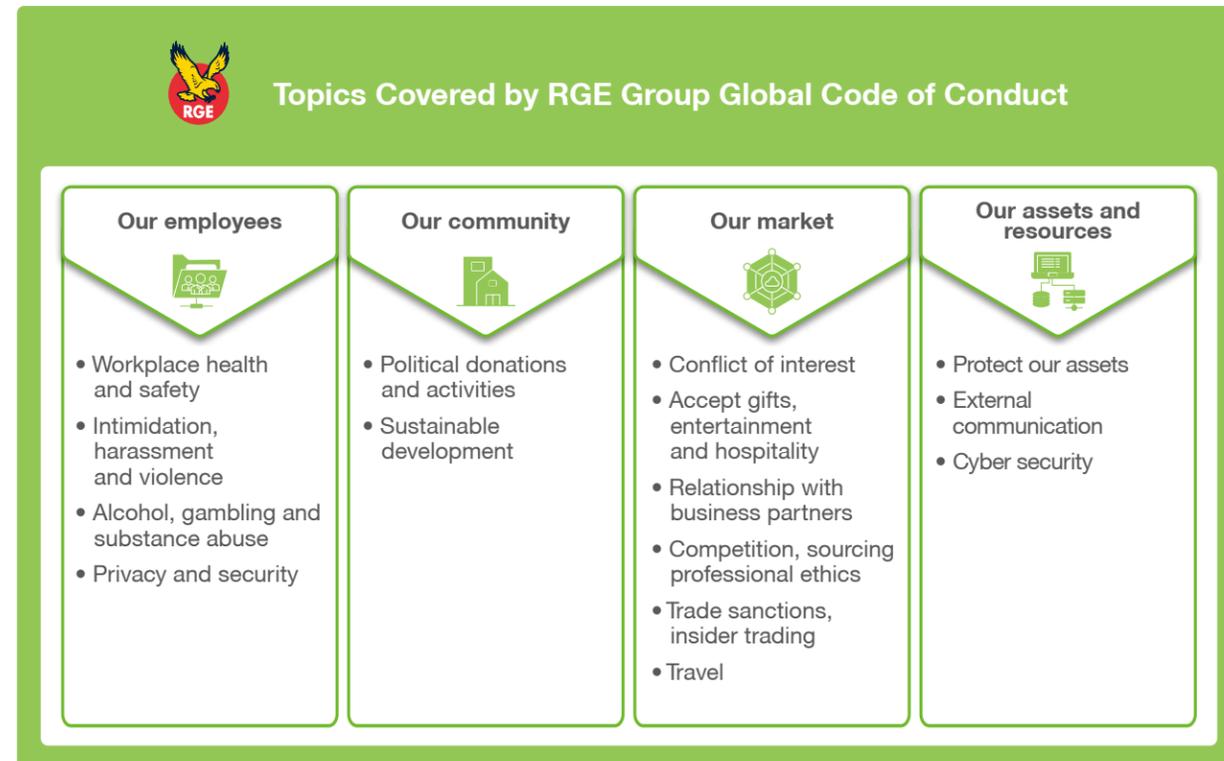


At the annual meeting and labor union congress, Asia Symbol Management Committee addresses important issues such as the company's business performance, business challenges, employee salaries and benefits, which are directly related to the employees.



1.3 COMPLIANCE MANAGEMENT

Asia Symbol always abides by local laws, regulations and industry standards. Additionally, as a member of the RGE group, Asia Symbol requires that employees abide by the RGE Group Code of Conduct and receive related compliance training.



1.4 CULTURE AND VALUES

PURPOSE

Improving lives by developing resources sustainably

VISION

To be one of the largest, best-managed and sustainable resource-based groups, creating value for Community, Country, Climate, Customer and Company.

LIVING OUR CORE VALUE

-  **T**Complementary team
-  **O**wnership
-  **P**eople
-  **I**ntegrity
-  **C**ustomer
-  **C**ontinuous Improvement

1.5 AWARDS AND PRIZES



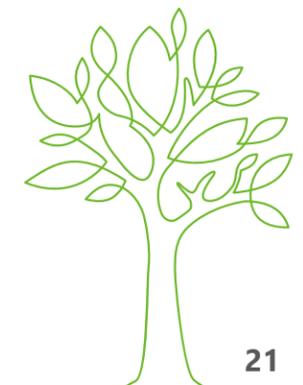
CERTIFICATION

Asia Symbol Shandong	Asia Symbol Guangdong
ISO9001 Quality Management System Certificate	ISO9001 Quality Management System Certificate
ISO14001 Environmental Management System Certification	ISO14001 Environmental Management System Certification
OHSAS18001 Occupational Health and Safety Management System Certification	OHSAS18001 Occupational Health and Safety Management System Certification
CFCC/PEFC Chain-of-Custody Certification	CFCC/PEFC Chain-of-Custody Certification
FSSC22000 Food Safety Management System Certification	China Environmental Label Product Certification (Printing paper)
Intellectual Property Management System Certification	China Environmental Label Product Certification (Offset paper)
ISO50001 Energy Management System Certification	
CNAS Laboratory Accreditation Certification	



	Awards	Awarding institutions
Asia Symbol Shandong	Top 100 Light Industry Enterprises in China	China Light Industry Federation
	Meritorious enterprise with financial and tax contribution	Rizhao Economic-Technological Development Zone
	Outstanding Contribution Award for Economic Development 2019	Awarded by Rizhao Municipal Party committee and Rizhao Municipal People's Government
	Environmental education base of Shandong Province	Shandong Environmental Protection Bureau, Shandong Education Bureau
	Industrial tourism demonstration base in Shandong Province	Shandong Economic and Information Technology Commission, Shandong Tourism Development Commission, Shandong Cultural Relics Bureau
	2018 Chinese Corporate Citizens Excellent Public Welfare Project (Benefit the people and promote education)	Corporate Citizenship Committee of China Social Work Federation, Organization Committee of China Excellent Corporate Citizens Annual Meeting
	Energy Conservation Award Shandong Province	Shandong Province People's Government
	"Provincial benchmark enterprise of dual prevention system" in Shandong Province	Work Safety Administration Bureau Shandong Province
	Safety production standardization for the secondary unit in Shandong Province	Emergency Management Bureau Shandong Province
	2018 Public Welfare Practice Award; "Education Promotion" project was awarded the "2018 Public Philanthropy Project Award"	The 8th China Public Philanthropy Festival
	The most beautiful research & study base	"Educator" magazine of Guangming Daily and "Studying Abroad" of Guangming net
	Advanced unit supporting environmental education	Environmental Education Magazine
	"Innovation enterprise in papermaking industry" in 2019	China Papermaking Society and China Pulp and Paper Research Institute (Organizing Committee of China International Paper Innovation Development Forum)
	Postdoctoral Innovation Practice Base In Shandong Province	Bureau of Human Resources and Social Security Shandong Province
	Environment friendly pilot enterprise in 2019	China Environmental Protection Federation
	Advanced Unit for Comprehensive Utilization of Resources in Shandong Province	Shandong Province People's Government
	Leaders for Employee and Vocational Education	Shandong Provincial Staff Education Association/ Shandong Provincial School-Enterprise Cooperation Steering Committee
	Resource Recycling Base Shandong Province	Shandong circular economy promotion association
	Top 10 science and technology achievement award of circular economy in 2019 Shandong Province"	Shandong circular economy promotion association

	Awards	Awarding institutions
Asia Symbol Guangdong	Guangdong 2017 Top 10 economic power enterprises (awarded in 2018)	Committee of Guangdong Economic Power List
	Best Public Welfare Enterprise in 2017 (awarded in 2018)	Guangzhou Federation of Social Organizations, Guangzhou
	Energy efficiency forerunner of paper industry in Guangdong 2017 (awarded in 2018)	Guangdong Paper Association
	Quality management unit of green raw and auxiliary materials in 2019	China Printing Technology Association
	2017 Green brand enterprises with environmental credit evaluation in Guangdong Province (awarded in 2018)	Department of Ecology and Environment of Guangdong Province
	2018 Demonstration site of Cultivate and Practice Socialist Core Values in Guangdong Province	Guangdong Society of Ideological and Political Work
	"Top 10 Innovative Enterprises of Light of Hope" award at the "Innovative China" Ceremony in 2018	College of Entrepreneurship, Jinan University
	Top 500 Manufacturing Enterprises in Guangdong Province 2018	Guangdong Provincial Development and Reform Commission; Guangdong Manufacturers Association
	2018 Best Public Welfare Enterprise	Guangzhou Federation of Social Organizations, Guangzhou Volunteers Association
	2018-2019 Excellent Brand Demonstration Enterprise in Guangdong Province	Guangdong Association for the Promotion of Industrial Development, Guangdong Manufacturers Association
	2019 High-tech Enterprise in Guangdong Province	Department of Science and Technology of Guangdong Province, Department of Finance of Guangdong Province, Guangdong Provincial Tax Service, State Taxation Administration
	Top 10 enterprises in China's paper industry in 2018	Sponsored by China Light Industry Council, China Paper Association
	2018 Guangdong Advanced unit for full-time fire brigade construction in enterprises and institutions	Guangdong Fire and Rescue Corps
	Public welfare support unit 2019	Yangcheng Evening News Group
	2019 Advanced unit for public service of the firefighting	Guangdong Fire Safety Committee
Best Employer Enterprise in Guangdong Province 2019	Guangdong Provincial Enterprise Confederation, Guangdong Provincial Association of Entrepreneurs	



02

SUSTAINABILITY MANAGEMENT

Our understanding of sustainability is to meet the needs of the present without compromising the ability of future generations to meet their needs.

Sustainability is our development goal and also our development approach. Asia Symbol implements the principle of stakeholder engagement and "Triple Bottom Line Principle" of economy, society and environment. We actively engage with our stakeholders and respond to their demands, making great effort to achieve a balance of economic development, environmental responsibilities, and social responsibilities and contribute to people's good life by practical actions.



2.1 SUSTAINABILITY STRATEGY

Based on the principles of stakeholder engagement and "Triple Bottom Line", adhering to the purpose of "Improving lives by developing resources sustainably", effectively implementing the business philosophy of "Create value for the Community, Country, Climate, Customer and Company", Asia Symbol developed our Sustainability Strategy, and commits to balance the interests of economy, environment, and society.



In order to better implement Asia Symbol's Sustainability Strategy, Asia Symbol has formulated a Sustainability Policy

Asia Symbol Sustainability Policy

Value Creation for Better Life

- Asia Symbol is focused on long-term shared value creation for our stakeholders, including customers, employees, and local communities through business growth, innovation, quality and efficiency, while meeting customer needs

Energy Saving and Environmental Protection for a Sustainable World

- Asia Symbol makes products from renewable raw material fiber by adhering to the operations policy of efficient production with excellent quality, energy saving and emission reduction, and in harmony with environment. Asia Symbol will meet its environmental responsibilities through forward-looking investment in environment protection facilities, technical innovation, responsible wood sourcing, clean and safe production.
- Asia Symbol will encourage its suppliers to ban deforestation, and support conservation solutions and responsible management of peatlands.

People Care for a Harmonious Society

- Asia Symbol respects human rights, free, prior and informed consent (FPIC) of communities, and implements responsible practices in the workplace, and promotes the development of its employees.
- In community development, Asia Symbol is committed to engagement with a full range of stakeholders, contributing to the well-being of the people in the community.

Asia Symbol explores ways to achieve sustainability constantly. In September 2015, all member states of the United Nations proposed and adopted 17 Sustainable Development Goals (SDGs), which provided a new direction and basis for our development. SDGs framework is adopted to measure, monitor and report the impacts of our contributions to society and environment. In 2019, Asia Symbol engaged external experts to prioritize SDGs according to the needs of the communities where Asia Symbol operates, the alignment and contribution of our core business to SDG targets, as well as the priorities identified by the Chinese Government. The following are the selection of Asia Symbol Priority SDGs.

• Asia Symbol Priority SDGs



Based on the analysis and results, we will integrate our own development goals with SDGs, and develop the Asia Symbol 2030 Sustainability Strategy and Goals, to actively promote the practices in the field of sustainability, and contribute to the realization of SDGs with practical actions.



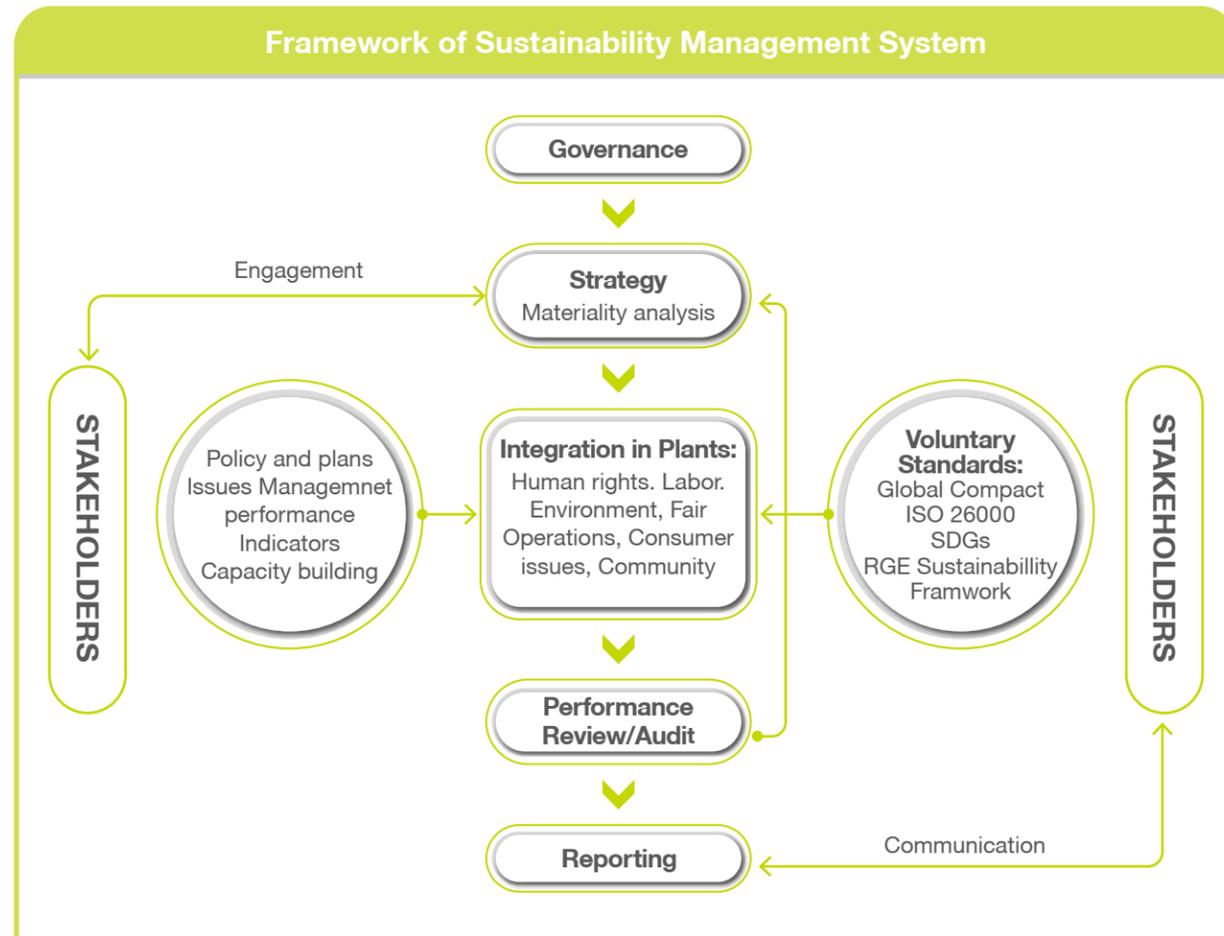
TIPS: UN Sustainable Development Goals

The United Nations Sustainable Development Goals are a series of new development goals that will continue to guide global development in 2015-2030 after the expiration of the Millennium Development Goals. On September 25, 2015, the United Nations Sustainable Development Summit was held at the headquarters in New York, and 193 member states of the United Nations officially adopted the 17 sustainable development goals at the summit. The Sustainable Development Goals aim to solve the social, economic and environmental development problems completely in a comprehensive way from 2015 to 2030, and turn to a sustainable development path. SDGs includes:



2.2 SUSTAINABILITY MANAGEMENT SYSTEM

To ensure that the Sustainability Strategy is integrated into all aspects of our business operations, we established the Sustainability Management System in line with global standards², and continuously improved our performance by adhering to the PDCA³, "Plan-Do-Check-Action" Principle. At the same time, we attach great importance to stakeholder engagement, a variety of communication channels were developed to ensure the expectations and demands from various stakeholders could be effectively integrated into our corporate management, and promote our sustainable development in a comprehensive and systematic way.



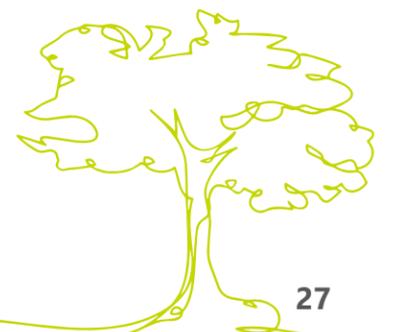
² UN Global Compact, ISO26000 Social Responsibility Guidelines, UN 2030 Sustainable Development Goals and RGE Sustainability Framework
³ The PDCA Cycle, also known as Deming Ring, is the basic method of quality management and the general rule of enterprise management.

2.3 STAKEHOLDER ENGAGEMENT

Asia Symbol believes that stakeholders are an important part of our journey and growth as a company. We are committed to actively engaging our internal and external stakeholders, to hearing their expectations and needs, as well as taking their feedback as key considerations in our decision-making process. Asia Symbol's stakeholders mainly include governments and regulatory authorities, industry associations, customers and consumers, employees, community residents and surrounding schools, suppliers and contractors, NGOs, media, etc. Asia Symbol established stakeholders communication scheme, engages in effective exchanges with stakeholders in various ways, which include official website, email, WeChat official account, community communication, internal magazine, corporate visits, etc.

Stakeholder Complaint Mechanism

Stakeholders can give their opinions and suggestions through mailbox asiasymbol_feedback@asiasymbol.com and our process of handling feedback and complaints is as follows:



Stakeholders	Material Issues	Communication Channels
Government/ Regulatory Authority	<ul style="list-style-type: none"> • Implement macro policies • Operate in compliance • Taxation • Promote regional development 	<ul style="list-style-type: none"> • Government Communication • Participate in the formulation of industry policies/ standards • Inspection and supervision by government • Regular visits and reports • Sustainability report
Industry Association	<ul style="list-style-type: none"> • Support industry development • Environmental compliance • Pollutant discharge • Product quality and safety • Energy management 	<ul style="list-style-type: none"> • Daily communication • Regular visits • Participate in the formulation of industry policies/ standards • Industry exhibitions and forums
Customers and consumers	<ul style="list-style-type: none"> • Product quality and safety • Social responsibility assessment for suppliers • Service quality • Operate in compliance and risk management 	<ul style="list-style-type: none"> • Customer visit • Communication conference/activities • Satisfaction survey • Customer service hotline / email • Dealer conference • Company's official website • Sustainability report • Company's WeChat official account
Employee	<ul style="list-style-type: none"> • Occupational health and safety • Rights and career development of employee • Product quality and safety • Environmental compliance • Employment 	<ul style="list-style-type: none"> • Labor Union management • Employee training • Employee seminar • Internal magazine • Employee competitions/activities • Sustainability report • Company's WeChat official account
Community/ School	<ul style="list-style-type: none"> • Community relations • Environmental compliance • Water resources management • Waste management 	<ul style="list-style-type: none"> • Daily visit • Community's opinion processing and feedback • Supervision by community's representatives • Community development activity • School activities
Supplier/ Contractor	<ul style="list-style-type: none"> • Honesty • Product quality and safety • Supplier social responsibility assessment • Economic performance • Operation in compliance and risk management 	<ul style="list-style-type: none"> • Supplier conference • Contractor conference • Inspection and evaluation • Daily communication by email, telephone, etc. • Sustainability report
NGOs	<ul style="list-style-type: none"> • Water resources management • Environmental compliance • Air pollutant emission • Waste management • Traceability of raw materials • Communication and transparency 	<ul style="list-style-type: none"> • Communicate on specific topics • Work cooperation • Sustainability report • Company's official website • WeChat official account
Media	<ul style="list-style-type: none"> • Economic performance • Product quality and safety • Environmental compliance • Corporate social responsibility 	<ul style="list-style-type: none"> • Media reports • Conference and forum participation • Company's official website • WeChat official account

During the report period, we maintained good communication with the government and industry associations, actively assisted in the formulation and promotion of industry policies and standards. We supported to prepare the White Paper on Sustainable Development of China's Paper Industry published by China Paper Association, provided practice cases to enhance the public recognition of paper and pulp companies. We continuously publish internal magazines to introduce national policies, industry development, corporate events, customer stories, outstanding employees, etc. to let our employees have a thoroughly understanding of our corporate culture. Shandong Company and Guangdong Company have official WeChat official accounts respectively, more than 10 articles were posted per month on average to introduce the company's latest developments and activities to the public. Meanwhile, Asia Symbol is committed to build green and transparent mills, actively inviting people from all walks of life to visit our mills. In 2018-2019, a total of 15,928 people visited Asia Symbol to experience the modern development of a pulp and paper company.

Internal Magazine of Asia Symbol Shandong



Wechat of Asia Symbol Shandong

Internal Magazine of Asia Symbol Guangdong

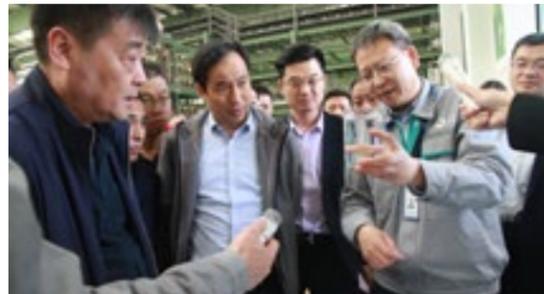


Wechat of Asia Symbol Guangdong

Asia Symbol Shandong



In 2018, Mr. Sun Jiye, the Vice Governor of Shandong Province visited Asia Symbol Shandong



In 2019, members of Shandong Packaging and Printing Association visited Asia Symbol Shandong



In 2019, students from University of Newcastle visited Asia Symbol Shandong



In 2019, members of Tsinghua University "Belt and Road" Seminar visited Asia Symbol Shandong

Asia Symbol Guangdong



In 2019, government officials from Xinhui District of Guangdong visited Asia Symbol Guangdong



In 2018, corporate representatives of Xinhui District visited Asia Symbol Guangdong



In 2019, director of CCTV visited Asia Symbol Guangdong



In 2019, members of Guangdong Dalun Paper Co., visited Asia Symbol Guangdong



Asia Symbol Guangdong published internal magazines to record the touchable stories of employees

In 2018-2019, Asia Symbol Guangdong published corporate magazines that recorded real and touchable stories at work with the topic of "Asia Symbol is different" and "Details Determine Success or Failure", aimed to inspire employees to take ownership and make teamwork, improve actively, create value for customers and create a positive work environment.



Asia Symbol signed the "Papermaking and Printing Integration Development Initiative" with several companies

In July 2019, Shandong and Guangdong companies and representatives from several papermaking, publishing and printing companies jointly signed the "Papermaking and Printing Integration Development Initiative" at the "2019 Papermaking and Printing Integration Development Forum of China Printing Industry Innovation Conference". The initiative made a commitment to share information and responsibilities, also with the concepts of openness and inclusiveness, collaborative innovation, and green development, which received unanimous response from many companies in the industry.





2019 Asia Symbol Dealers Conference in Greater China

From December 12 to 14, 2019, in order to promote the healthy development of the industry, Asia Symbol invited more than 400 people including marketing elites from the entire paper industry chain and Asia Symbol dealers in Great China to gather in Shenzhen, to study the industry development trend together.



Asia Symbol's positions in industry associations as of the end of 2019:

Asia Symbol Shandong	
Name of Industrial Association & Organization	Company's Position
China Paper Association	Vice Chairman
China Technical Association of Paper Industry	Vice Chairman
China Paper and Pulp Industry Chamber of Commerce	Vice President
All-China Environment Federation	Member
Shandong Paper Association	Vice Chairman
Shandong Technical Association of Paper Industry	Member
China Forest Certification Council (CFCC)	Forum Member of Shareholder
Shandong Circular Economy Promotion Association	Member
The Gravure Association of China	Member
Tobacco Packaging Industry Information Committee	Member
Shanghai Association of Food Contact Materials	Member

Asia Symbol Guangdong	
Name of Industrial Association & Organization	Company's Position
Guangdong Overseas Chinese Enterprises Association	Executive Vice President
Guangdong Manufacturers Association	Council Member
Guangdong Paper Industry Association	Vice President Company
Guangdong Technical Association of Paper Industry	Council Company
Paper and Board for Office	Committee Member
Jiangmen Marine Fisheries Association	Member
Jiangmen Port Ship-owners Association	Member

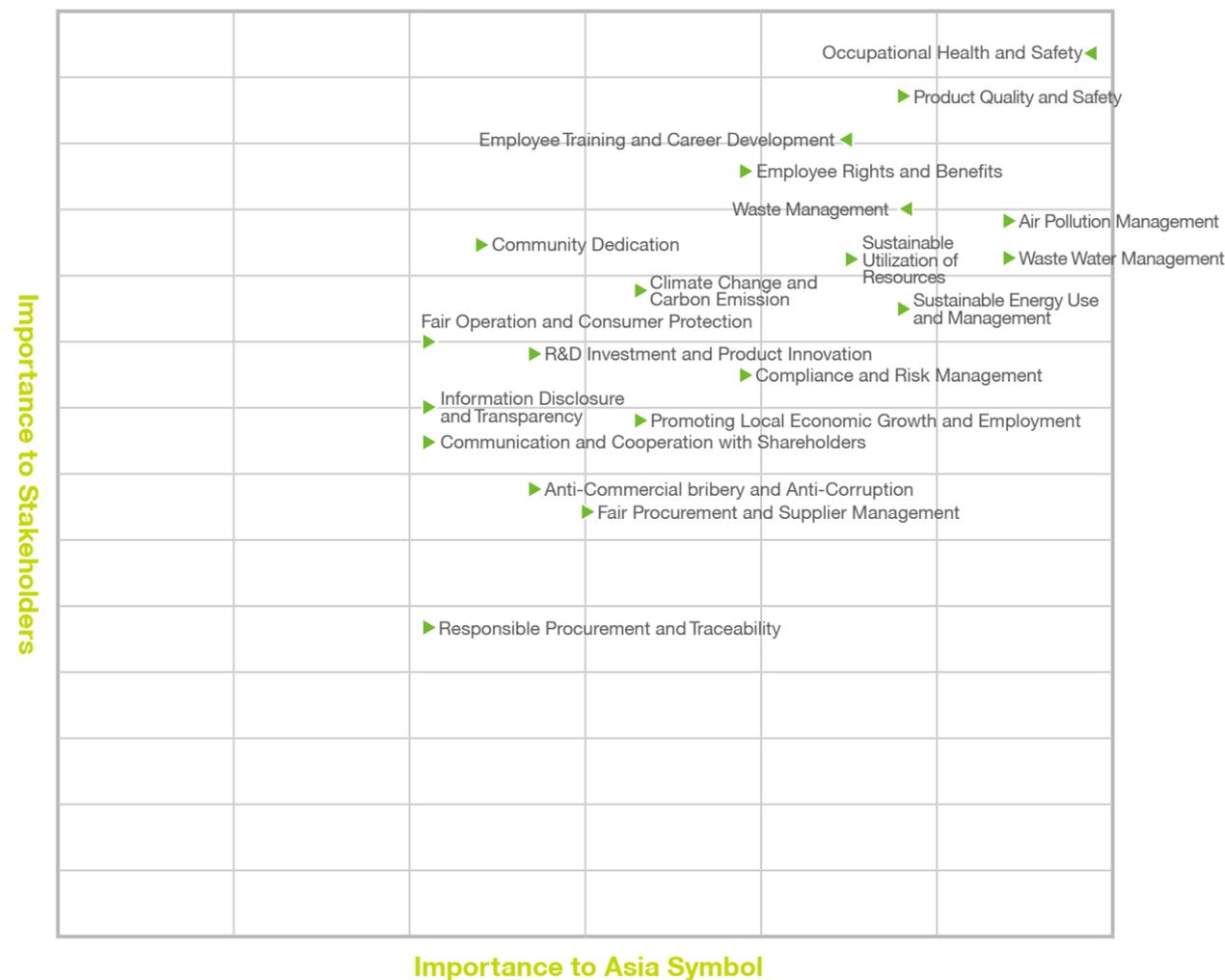


2.4 MATERIAL ISSUES ANALYSIS

We identified 20 issues that are closely related to Asia Symbol based on GRI Sustainability Reporting Standards, industry sustainability issues mapping, industry policy research, peer benchmarking, and public opinion analysis. We carried out offline and online surveys during the preparation of this report, invited stakeholders from the government, industry associations, communities, NGOs, schools, media, etc., and received a total of 1,612 valid questionnaires. With the assistance of those shareholders' ranking result of the importance for these issues, we could better understand and analyze the concerns of stakeholders and respond accordingly in the report.

The issues in the Matrix Map of Material Issues represent the key issues that affect the sustainable development of our business. The issue names may not directly correspond to GRI issues or indicators.

The Matrix Map of Material Issues



Material Issues	Report Contents	Report Responses
Communication and cooperation with stakeholders	Stakeholders communication Material issues analysis	2.3 2.4
Information disclosure and transparency	Organizational governance Stakeholders communication Environmental information disclosure	1.2 2.3 4
Compliance and risk management	Compliance management	1.3
Product quality and safety	Product quality Product safety	3.2.1
R&D investment and product innovation	Product innovation	3.2.1
Fair operation and consumer protection	Anti-commercial bribery and Anti-corruption Customer-oriented	3.4 3.2.2
Anti-commercial bribery and Anti-corruption	Anti-commercial bribery and Anti-corruption	3.4
Promoting local economic growth and employment	Tax contribution Employment creation Promote regional economic development	3.1.1 3.1.2 3.1.3
Fair procurement and Supplier management	Responsible supply chain	4.5
Responsible procurement and Traceability	Responsible supply chain	4.5
Climate change and Carbon emission	Responding to climate change	4.3
Sustainable utilization of resources	Resources utilization	4.1
sustainable energy use and management	Energy consumption	4.2
Waste management	Pollutant discharge	4.3
Effluent management	Pollutant discharge	4.3
Air pollution management	Pollutant discharge	4.3
Occupational Health and Safety	Occupational Health and Safety	5.3
Employee training and Career development	Employee training and development	5.2
Employee rights and benefits	Employee rights and benefits	5.1
Community dedication	Community engagement Community development Project	5.4 5.5



03

GOOD FOR COUNTRY AND CUSTOMER

Through innovation and lean management, Asia Symbol continuously improves product quality and operation efficiency, improves customer's satisfaction ratings with high-quality products and services, reduces customers' costs and creates value for them. At the same time, Asia Symbol actively promotes local economic development, as well as creating long-term shared value for other stakeholders.



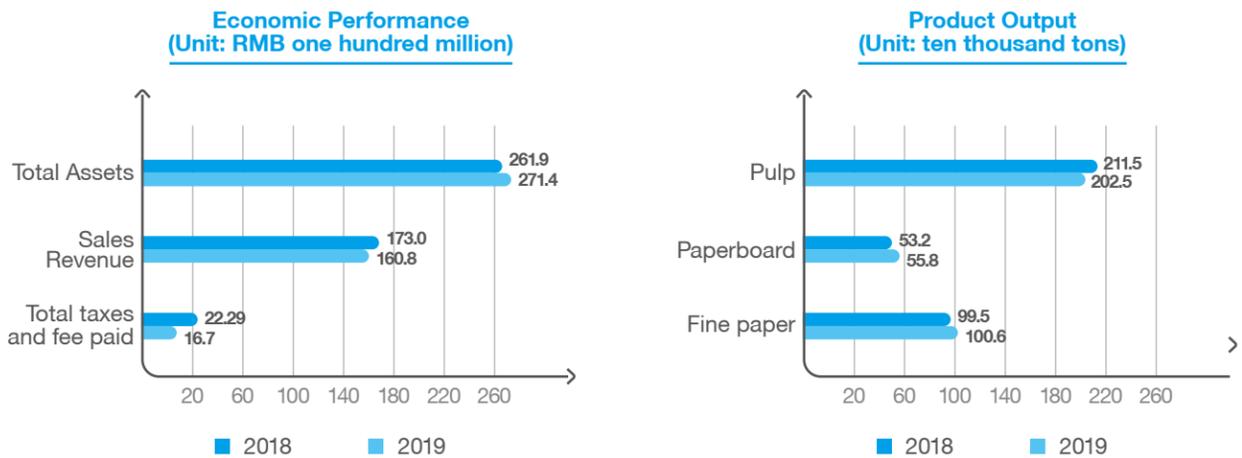


3.1 SHARED VALUE CREATION

Asia Symbol is a world leading pulp and paper company, and a benchmarking enterprise for pulp and paper industry upgrading, technological progress and sustainable development. From the production of wood pulp to the production of wood pulp and dissolving pulp, from pulp and paper industry to viscose industry, Asia Symbol applies new technologies to continue to transform and upgrade the industry. From general packaging board, food grade ivory board, cigarette board, liquid packaging board and lottery card, Asia Symbol adapts its product offerings to respond to the dynamics of market supply and demand, and promotes social productivity growth.

3.1.1 Economic Contribution

Despite the great challenges from both the economy and the paper industry, Asia Symbol accelerated the implementation of its transformation and upgrading initiatives, continuously improved product quality, and maintained a steady pace of growth. During the reporting period, RMB 3.9 billion of taxes and fees (including customs duty) were paid.



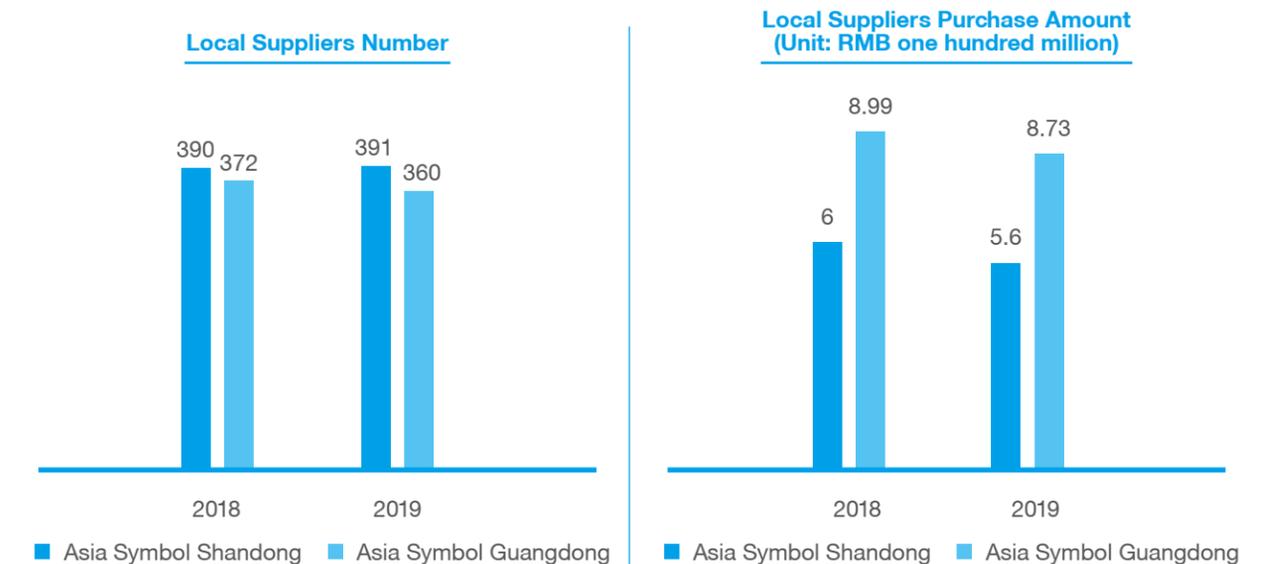
3.1.2 Job Creation

Asia Symbol actively promotes local⁴ employment and continues to adopt a localized recruitment strategy to create local jobs. Priority has been given to recruiting local employees. By the end of 2019, the total number of employees of Asia Symbol is 3,676 of which 81.2% (2,984 employees) are from Shandong and Guangdong.

⁴ "Local" refers to Shandong Province and Guangdong Province in which Asia Symbol operates

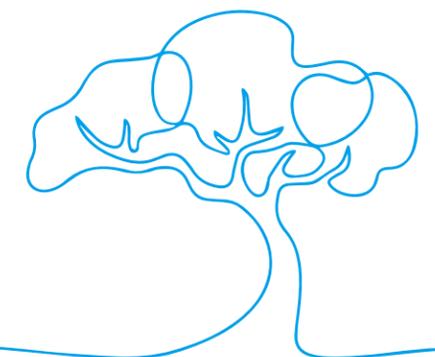
3.1.3 Promote Local Economic Development

As we continue to grow, Asia Symbol actively promotes the development of the local economy. By papermaking, printing, packaging, chemical industry, agriculture, logistics and warehouse, shipbuilding and other related industries, Asia Symbol strengthens the industrial agglomeration and local economic development. Meanwhile, Asia Symbol vigorously promotes a localized procurement strategy to boost the development of local enterprises. During the reporting period, the total procurement amount of Asia Symbol Shandong in the province reached RMB 1.169 billion, and that of Guangdong Company exceeded RMB 1.772 billion.



3.1.4 Promote Community Development

Asia Symbol actively undertakes social responsibility and engages in community development. During the reporting period, RMB 8.942 million was invested in community development.



3.2 HIGH QUALITY PRODUCTS AND SERVICES

Asia Symbol adheres to our core value of "Customer" all the time. We understand our customers, from the customer's point of view, keep innovating on the basis of quality assurance to provide best values for the customers with high-quality products and services.

3.2.1 High Quality Products

Product Quality

Asia Symbol focuses on the product quality, to increase enterprise competitiveness by producing high-quality products. We have established quality management system based on ISO9001, and formulated strict quality control standards for each step from raw materials inspection to end products completion, to cast the craftsman's spirit into our products through standardization management of each step.

Adhering to the work idea of "supporting documents, appropriate supervision and systematic control", so as to deliver safe products with the best quality, Asia Symbol Shandong has adopted the following measures:

Asia Symbol Guangdong implements overall quality management measures including "all employees, the whole process, and the entire scope", strictly controls the quality management from raw materials procurement, semi-finished products to finished products; to ensure quality objectives, the following measures were taken:

Ensure that the system is cleaned according to the operational procedures, and ensure that the environmental health standards are met; test raw materials according to established VOCs (volatile organic compound) content standards and ensure that suppliers meet the health and safety requirements in their supply of raw materials;

Before Production

We have a stable raw material supply chain, first-rate manufacturing equipment, quality standards better than national standards, and a customer needs orientation, to ensure a win-win situation for the company and its customers; We compare with industry peers regularly to ensure the high cost performance of our products;

Process inspection control; ensure availability of required personnel and test instruments and that they are used effectively;

During the Production Process

The adoption of advanced quality control system (QCS), online paper disease detection system, and advanced laboratory testing equipment, together with setting up special inspection items, such as: brush iodine 5 orders, CPM color map, PI online curve, etc. aims to ensure that each paper used by customers meets quality standards through inspection and monitoring at various sections;

Product samples are sent to an authoritative third-party testing agency or other national laboratory for testing at least ten times per year; ensure that the products are managed and controlled efficiently based on the test results. During the reporting period, samples of pulp and board were all qualified.

After Production

Our products will be sent to authoritative laboratories such as the Bureau of Quality and Technical Supervision or third party testing agency every year for testing related indicators; the products are effectively controlled and managed according to the results.

Asia Symbol Shandong obtained the ISO/IEC17025:2005 certification issued by CNAS Laboratory (China National Accreditation Service for Conformity Assessment). Asia Symbol Guangdong invested RMB 15 million to establish the central lab to ensure the reliability of product quality, which is one of the most advanced professional laboratories in the paper industry at present.



Automatic Inspection Line to test Quality Indicators

The rate of Premium A pulp, paper board and fine paper products during the reporting period and 2020 target:

Category	2018	2019	2020
Pulp	98.3%	98.7%	≥ 99.1%
Paperboard	95.7%	96.5%	≥ 97.8%
Paper	99.5%	99.6%	≥ 99.5%



A piece of dirty paper

On October 22nd, 2018, Ms. Hu Pinji, the quality inspector of Asia Symbol Guangdong, found that the last paper at the bottom of all ream packages was dirty. After confirmation with the production department, they found that was resulted by an uncleaned belt. After investigation, 2,380 reams of Green PaperOne paper which had been packaged and put into warehouse had the above problem.

Hu Pinji immediately called the production to stop and the finishing department quickly cleaned the belt. Together with the finishing department, she immediately organized to unpack each ream of paper, take out all the dirty paper and repack. With the cooperation of the technical department, warehouse and the finishing department, the mass paper defect crisis has been resolved.

As a quality inspector, we always treat the paper quality problem with zero tolerance, identify and resolutely avoid unqualified products. No matter how much it costs, we guarantee that the products delivered to customers are qualified. We will not let any paper with a little dirt enter the market and affect customer experience.



• Product Safety

Asia Symbol attaches great importance to product safety and promises to provide customers with healthy and safe products. The paperboard from Asia Symbol are widely used as cigarette board, liquid packaging, paper cups, food board and other products in direct contact with consumers, which are of high safety level requirements. Based on FSSC 22000, we have established the strictest food safety management system. Through rigorous risk analysis, strict system cleaning, testing and pest control measures, we ensure that our products could meet the food safety standards of China, requirements of US Food and Drug Administration (FDA) and Bundesinstitut für Risikobewertung (BFR) for liquid food packaging board (direct contact type). We are committed to provide customers and consumers with more secure products. During the reporting period, no safety violations involving the health and safety impact on products and services occurred in both companies of Asia Symbol.

• Product Innovation

Research and innovation are two of the core elements that enable us to continuously develop and grow. Asia Symbol established our R&D center to actively promote the research and development of new products and new technologies, and we have been continuously increasing our investment into R&D. During the reporting period, a total of RMB 1.4 billion was invested in R&D. From 2018 to 2019, Asia Symbol successfully secured 4 invention patents and utility 9 model patents. Both Asia Symbol Shandong and Asia Symbol Guangdong have been recognized as "High-tech Enterprises" by the state.



24 technological innovation achievements of Asia Symbol pass provincial evaluation

In May 2020, final evaluations of Asia Symbol Shandong's 24 technological innovation projects were carried out by famous experts from the pulp and paper industry as well as experts from energy conservation engineering. Of the 24 projects, the evaluators concluded that 7 achievements were of the international advanced level, 9 achievements were of the domestic leading level, while 8 achievements were of the domestic advanced level. These 24 achievements have outstanding technological innovation points, significant economic, social and environmental benefits, and broad market application potential. They demonstrate the company's leading role in the advancement of the country's and region's pulp and paper industry, as well as its continuing journey towards more sustainable operations by adopting innovations in clean production, energy conservation, emission reduction, and recycling.



Asia Symbol Launches Symbol BPT Acacia Pulp

In April 2019, Asia Symbol Shandong launched the new customized pulp product, Symbol BPT Acacia Pulp for its tissue customers.

Zhu Hai, director of Technical Sales and Customer Service department of Asia Symbol, shared the advantages of Symbol BPT Acacia pulp such as high initial strength, smoothness and opacity; low DCM extract (Dichloromethane extract), making it conducive to the formation of uniform drying cylinder coating and stable wrinkling; low initial freeness, to achieve lower beating rotations for the same freeness, reducing energy consumption by 10%. The new product also allows for higher fiber density in the same weight of pulp, resulting in a tissue paper product that is softer and smoother, and has better uniformity.



Launching of "Green One" unbleached copy paper and Aria book paper

Consumers' demand is becoming more and more personalized, as well as demanding that their products promote environmental protection and health. In April 2019, Asia Symbol Guangdong surprised its customers by launching the "Green One" unbleached copy paper. This product breaks the industry's monopoly of only producing white copy paper, becoming the industry's first unbleached copy paper product.

Environmentally and health-friendly, Green One's paper-making process avoids the use of fluorescent brightening agent, opting instead to showcase the natural color of wood pulp. It has soft and natural whiteness, comfortable for reading and caring for eyes. The raw materials have been jointly certified by the CFCC-PEFC Chain of Custody, which come from renewable plantation fiber. The Elemental Chlorine Free (ECF) wood pulp can be recycled and reused, further reducing negative environmental impact.

In the same year, Asia Symbol Guangdong launched its Aria book paper, which was highly recognized by People's Education Press and other publishing institutions.



3.2.2 Excellent Service

Asia Symbol is customer oriented. Our goal is to develop products that fulfill customers' demand for quality and efficiency, as well as help them reduce their costs. We regularly hold nationwide customer exchange meetings, listen to their feedback, and provide customers with stable quality, supply and technical services. To improve our service quality, Asia Symbol constantly explores innovative service models: Asia Symbol Shandong makes every effort to meet the diverse needs of customers, while working on on-time delivery and zero-defect services. Asia Symbol Guangdong keeps improving the efficiency of its logistics network, and has developed an intelligent supply chain system that enables a within-24-hour delivery service in South China. It also continuously develops new copy paper brands to increase customer's choices and value.



Working Smarter: Asia Symbol develops intelligent supply chain system

Offline sale of Asia Symbol accounts for 80% of its volume. We used to provide products to our dealers in large quantities. The delivery speed of products depends on the full cooperation of all partners and any form of delay can result to a negative customer experience.

In order to address this, Asia Symbol invested heavily on an intelligent supply chain, successively developing applications such as container management system, vehicle management system, domestic sales truck tracking system, etc. to activate the whole supply chain process. This enables Asia Symbol to transform itself into a "digital plant", evolving from "manufacturing" to "intelligent manufacturing". Asia Symbol Guangdong has become the first manufacturer to realize digital management in the paper industry, realizing precise production and precise logistics. Within-24 hours delivery service has been realized for the large-size paper in South China, and within-30 hours delivery service has been realized for the large-size paper in Guangdong, Hong Kong and Macao.



Asia Symbol partners with Suning E-commerce to boost e-commerce capabilities

In April 2019, Asia Symbol Guangdong announced that they would carry out comprehensive and in-depth cooperation with Suning to scale-up its e-commerce capabilities. The partnership will explore potential synergies in the management of the company's supply chain, channels, and B2B approaches.



Asia Symbol earlier partnered with Suning Group in 2016, jointly building a whole network popular copy paper "Orange Copy Cola", and achieved the single product top 1 sale volume during "Double 11" in 2017 and 2018.



Asia Symbol Shandong "Customized Service"

As part of its efforts to ensure value add for its customers, Asia Symbol evaluates whether these downstream players can manufacture their own products from Asia Symbol's paperboards with ease and efficiency. In response to this, Asia Symbol Shandong launched a "customized service" that allow customers to adjust a paperboard's stiffness, folding resistance, water absorption, composite transfer, printing and other aspects, allowing for faster production. At the same time, Asia Symbol continues to track the whole process of customers' operations from procurement to manufacturing, providing technical services to help customers achieve the best value.

Customized stiffness	Customized folding resistance	Customized water absorption	Customized composite transfer	Customized printing
Based on the design of packaging box and the characteristics of packaging machine, the stiffness can be assigned into three types: high, medium and low	Based on the customers' requirements on folding carton, carry out conventional and high folding resistance design	Based on the customer's post-processing needs, water absorption is designed in different ranges	Customized design of coating is carried out according to the types of latex and film used for composite transfer by the customers	Customized coating design is done according to the differences between direct printing and composite printing

• Customer Satisfaction Survey

Asia Symbol attaches great importance to customer experience and satisfaction, cares about customer's feedback and opinions, and employs a diversified customer communication mechanism. Customers can communicate all kinds of questions about products and services at any time through various channels such as exchange meetings, service hotline, phone, email, fax, etc. At the same time, we carry out customer satisfaction surveys every year, enabling us to improve and address issues from the results, and establishes us as the most popular supplier for customers.



Sharing Profits = Making Profits

During a customer visit, Steven Hung Ching Lung, General Manager of Asia Symbol Guangdong, heard from a customer that the efficiency of bulk delivery was low and the cost was high. In order to address this, Asia Symbol Guangdong began to explore the pallet delivery mode. But this option would increase the company's annual cost by about RMB 8 million. The company was faced with a dilemma – should it prioritise cost savings or should it solve customers' problems?

Steven

We have to solve this problem for our customers. Although the profits will be shared with the customers, the customers will trust us more and we will make profits together.

Other paper suppliers deliver products in bulk. We can only unload 3 containers at most every day. Since we changed to Asia Symbol, and the shipment was changed to pallets. Now we can unload 18 containers every day, which greatly improves our efficiency.

Dealers from North China



Since then, Asia Symbol Guangdong completely cancelled bulk delivery and changed it to pallet delivery. Although RMB 8 million is a big cost for the company, we would like to listen the voice of customers carefully and create values for them, and customer satisfaction and trust are the best rewards for us.

3.3 LEAN MANAGEMENT

By gradually applying lean concepts and tools, improving lean process, cultivating lean talents and establishing lean culture, we are able to improve customer satisfaction, reduce waste, improve quality of our products, and speed up the process. Since 2013, Asia Symbol has fully applied lean management, focused on every work detail, and practically implemented the "continuous improvement" concept of our core values in the process of continuous learning and improvement.

5S and TPM⁵ are the foundations of enterprise management and also the basic modules of lean. In the past two years, Asia Symbol has continuously solidified the three-level management, through identifying problems to solve problems, improving the site environment and equipment management, and continuously improving the reliability of equipment operation; further promoting the 5S and TPM management system at workshop-level and improving the level of independent management of the workshops; through the implementation of 5S and TPM management, the field management level and comprehensive efficiency of equipment are effectively improved.

Meanwhile, via the implementation of TQM⁶, based on the key quality problems repeatedly occurred in the early stage, improvement task forces were established to solve the problems; functional departments develop monthly/weekly breakdown plan and make continuous improvement in stages according to their KPIs; four pilot functional departments established evaluation system to focus on the overall quality management; and via TQM, all employees are lead to understand the real needs of customers, and the product quality and department management could achieve comprehensive upgrade.

Asia Symbol Shandong and Asia Symbol Guangdong set up grass-roots teams respectively, to promote the implementation of tasks through the gradual breakdown of the company's goals. By the end of 2019, Asia Symbol Shandong has established 144 teams and Asia Symbol Guangdong has established 48 teams. Both companies have improved the self-management ability of grass-roots teams through regular training, excellent team evaluation, symposiums and other forms. Under the guidance of the "Apollo Plan" of the group, they have trained talents to lay a solid foundation for grass-roots management.

During the reporting period, through lean management, Asia Symbol created a total value of RMB 680 million.

	Unit	2018	2019
Quantity of improvement suggestions	NO.	20,165	22,444
Quantity of continuous improvement projects	NO.	462	403
Quantity of six Sigma projects	NO.	10	17
Total value created	RMB one hundred million	4.04	2.76

⁵TPM: Total Productive Maintenance

⁶TQM: Total Quality Management





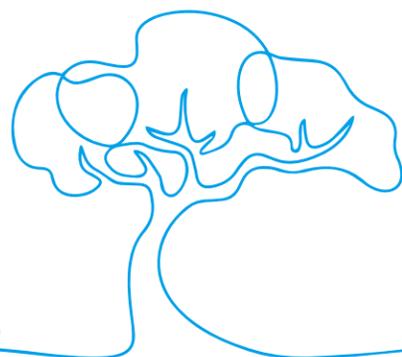
Lean management helps Asia Symbol have more development opportunities

In January 2020, Asia Symbol Shandong held the 2020 annual meeting of continuous improvement, in which 87 middle and senior management participated. The purpose of this annual meeting was to summarize the progress and completion status of the continuous improvement projects in 2019 and apply lean management tools and improvement mindset to find improvement opportunities, explore improvement topics, and break down the 2020 continuous improvement projects based on the 2020 budget and difficulties and focal points, so as to promote the achievement of all indicators of the company.



In the process of formulating the 2020 continuous improvement goals, the management of the company participated in the discussion and provide guidance for each group, and the groups also made suggestions to each other to make the project more specific and practical. In the end, 172 continuous improvement projects have been formed, with an estimated created value of more than 100 million RMB.

In the annual meeting, the management of the company also granted certificates to eight phase II green belt certified representatives. So far, the company has 25 employees with green belt certification.



2019 Excellent Continuous Improvement (CI) project: Improving the operational reliability of RB2 recovery boiler

The operational reliability of recovery boiler directly determines the dry solids combustion quantity of black liquor in recovery boiler, while the dry solids combustion quantity in recovery boiler directly determines the fiber line output. In 2018, the operation reliability of recovery boiler in Asia Symbol Shandong is 99%. In order to improve pulp production and reduce the risk of safety and environmental accidents, Asia Symbol Shandong would like to increase the reliability of recovery boiler from 99% to 99.5%. Through the targeted improvement of the operation time affected by the failures in previous years, and through the implementation of FMEA analysis, six sigma training and star improvement suggestions, a large number of improvement points have been sorted out, including the revision of the installation standard of steam drum gasket, the improvement of pipeline materials around the outlet, etc., Asia Symbol Shandong finally achieved the 99.8% operation reliability of recovery boiler in 2019, and the actual maintenance causes fault time achieved 0 hour, and no output loss caused by fault time, annual total value created has exceeded 2 million RMB.



3.4 ANTI-BRIBERY AND ANTI-CORRUPTION

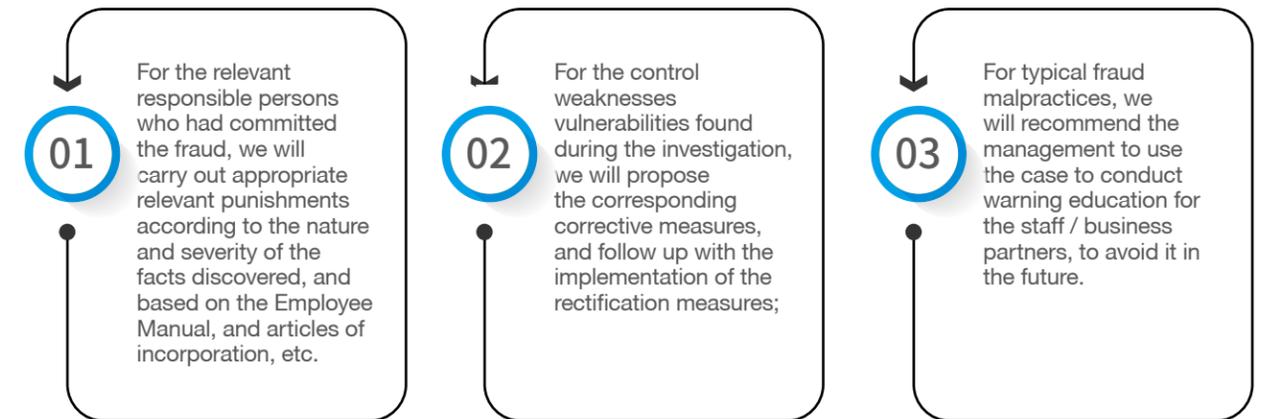
Asia Symbol's anti-corruption policy requires everyone to observe laws and regulations, to operate with integrity and abide by industrial practices and ethical business guidelines, and to create a fair business environment. Our anti-corruption principles are fairness, openness and transparency, based on internal control and a corruption prevention approach. Asia Symbol has not been penalized with legal offences during the reporting period.

In the area of organizational building, RGE established an independent internal audit department in China. And the internal audit is carried out according to the International Professional Practice Framework issued by the Institute of Internal Auditors (IIA), as well as the RGE's internal regulations and rules. The internal audit department works independently and reports directly to the Management Committee of Asia Symbol. It does not participate in the business operations of affiliated companies. In the area of policies, our employee manual has specific clauses on "avoidance of conflict of interests". In addition, Asia Symbol's "Code of Professional Ethics (COPE) for Procurement details our commitment towards business integrity, fair competition and anti-corruption.

To strengthen the capacity for fraud investigation, one session of anti-corruption training was conducted for the internal audit department from 2018 to 2019. External experts were invited to conduct one session of training for all the employees of the department, which covers the interview and forensic skills, etc. At the end of each quarter, RGE internal audit department will send internal audit briefing to all business units in China to share the main audit findings of the quarter.

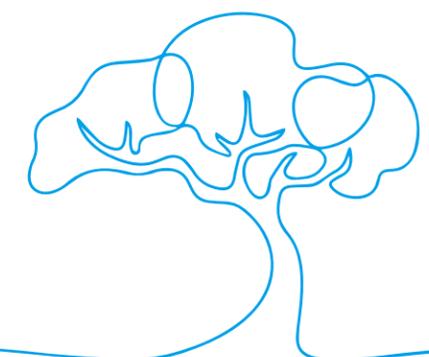
When we communicate with our business partners in fraud investigations, we will also convey our company's zero tolerance towards corruption. The internal audit department will evaluate the control risks of the various departments in accordance with the audit results of that year, the number frequency of audit in the past three years, the number of complaints received and the results of the survey.

Asia Symbol has provided mailboxes and hotlines at conspicuously visible locations in Asia Symbol Shandong and Asia Symbol Guangdong, enabling employees to submit their complaints to the Internal Audit Department. The Internal Audit Department has assigned a special officer to register the complaints, which will be subject to internal evaluation and review. The issues involving fraud malpractices will be classified according to the functional departments and types, and the identity of staff submitting the report will remain strictly confidential. For the complaints received and issues involving fraud malpractices, the treatment measures include:



From 2018 to 2019, the complaints received by Asia Symbol and investigation results are as follows:

Year	Complaint Received	Internal Investigation			
		Corruption or Improper Operation Verified	Highly Suspicious or Partially True	No Substantial Evidence or No Corruption	No Need for Verification
2018	26	1	3	18	4
2019	22	3	8	8	3
Total	48	4	11	26	7



04

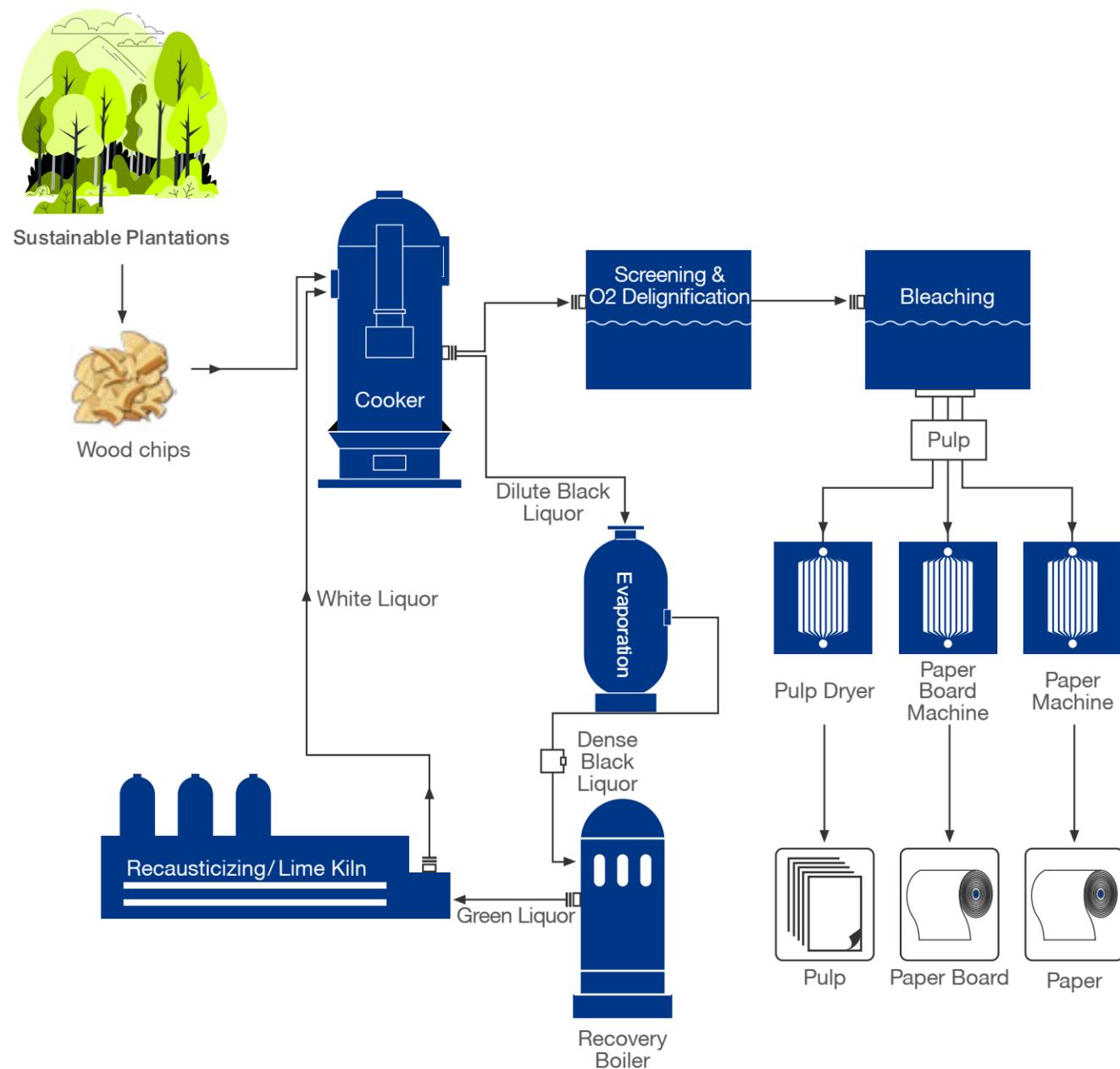
GOOD FOR CLIMATE

Asia Symbol firmly believes that environmental protection is the lifeline of a company, and is doing its best with first-class standards and having a responsible attitude. We adhere to the operation policy of "Efficient production with excellent quality. Energy conservation, emission reduction, and Harmony with the environment", to build our company's core competitiveness by applying the principles of circular economy and a closed loop system in our manufacturing process, as well as a green and low-carbon development approach, enabling us to achieve the best environmental and economic benefits.





PULP AND PAPER PROCESS FLOW CHART



4.1 RESOURCE UTILIZATION

As a leader in the paper industry, Asia Symbol adopts the circular economy development approach and coordinates the development of resources, environment and economic performance. We constantly improve the management system, actively adopt new technologies, new processes and new standards, optimize the raw material structure, and apply the principles of "reduce, reuse and recycle" to achieve the maximum recycling of raw materials, water resources, and chemicals in the pulp & paper making process.

Tips: the 3R principles of circular economy

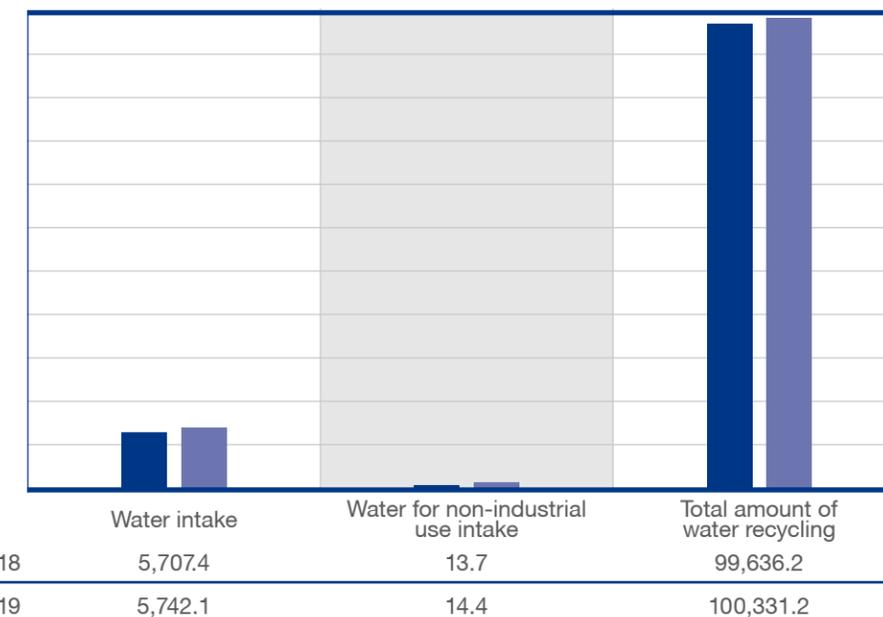
- Reduce: Reduce material and energy in the production and consumption process through management technology improvements in the production process
- Reuse: Prevent items from becoming waste too early
- Recycle: Optimise waste-to-resource conversion through reprocessing (regeneration) to make new products that use less resources and energy to reduce the generation of waste

• Water consumption

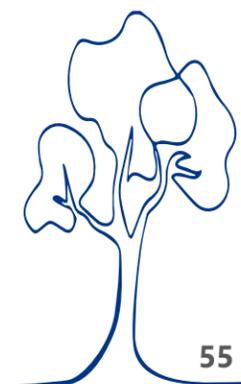
Water plays a vital role in the process of pulping and papermaking. Asia Symbol has established a water use principle of "supply by different quality, grading treatment, temperature matching, gradient utilization, small radius circulation and closed-circuit by region". Through continuous improvement and innovation, we developed new water-saving projects and constantly reduce the water consumption per unit product.

Water is mainly collected from water bodies such as rivers and reservoirs, and is treated by the company's own water treatment plant for production use. The water consumption of Asia Symbol has no negative impact on local water supply. Meanwhile, Asia Symbol Shandong established an urban sewage reuse plant which recycles around 10 million cubic meter municipal sewage every year. The sewage could be used to refill the boiler and cooling tower. The local water service provider supplies water used for daily essentials. During the reporting period, the quantity of water consumed in Asia Symbol was:

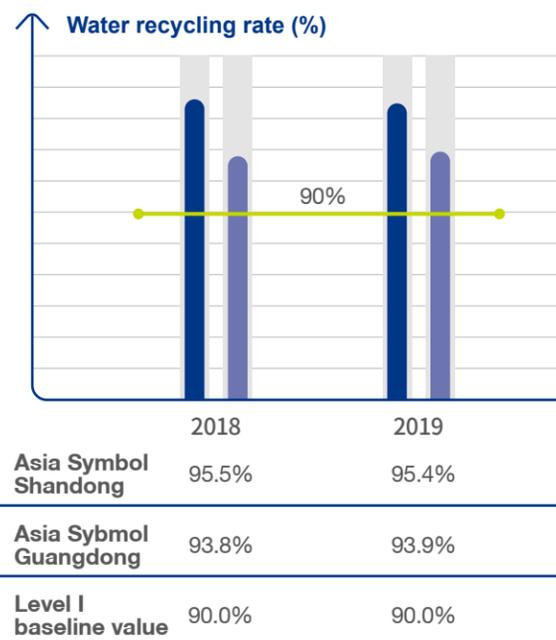
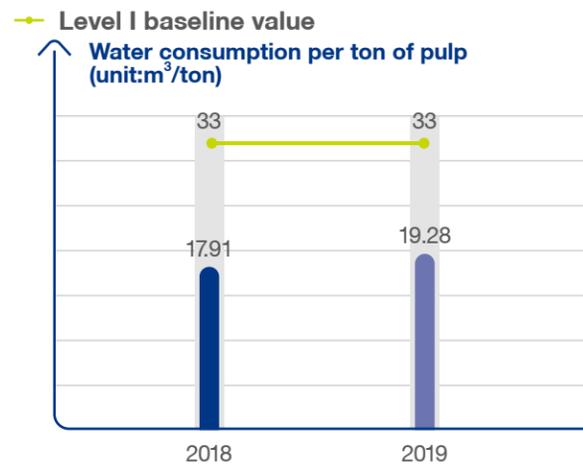
Quantity of water consumption (unit: ten thousand m³)



Water intake includes surface water intake and urban sewage intake.

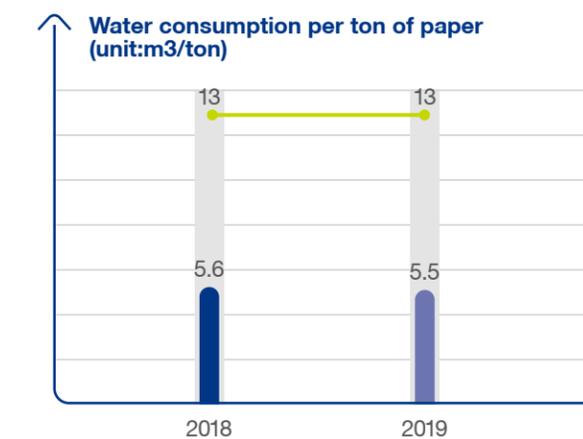
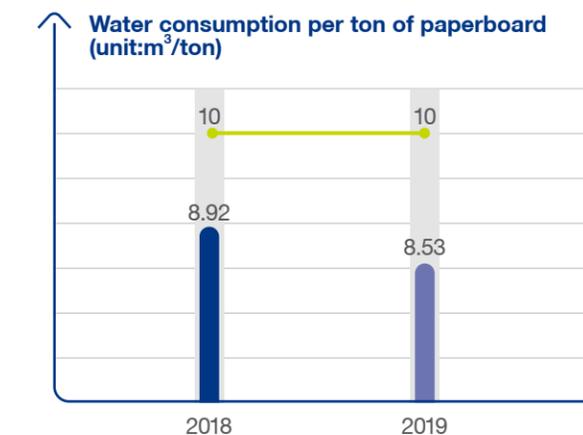


Asia Symbol saves water, recycles water resources, and its water consumption per unit product and water recycling rate have reached the international advanced level⁷:



Asia Symbol continues to invest in water-saving initiatives, using the water-saving systems and measures of intelligent production and industrial internet to improve the water use efficiency. During the reporting period, Asia Symbol invested a total of RMB 8.7 million in water-saving transformation, which can save about 3,000 cubic meters of water every day. The main water-saving measures are:

NO	Item	Result
1	Asia Symbol Guangdong changed the original high-pressure water to online control cleaning to clean paper machine forming wire	Save 800-1,000 m ³ /day
2	Asia Symbol Shandong installed an automatic production control system in the liquid packaging board production line to improve the output, quality and customer satisfaction while saving water	Save 500 m ³ /day
3	Asia Symbol Shandong connected the two pipelines of secondary condensed water evaporated from two pulp lines to solve the problem of imbalance of secondary condensed water, eliminated environmental risks while saving water	Save 1,500 m ³ /day



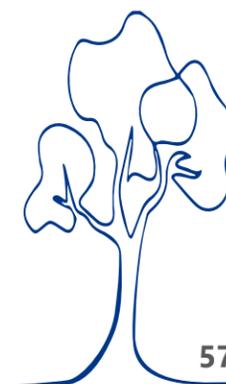
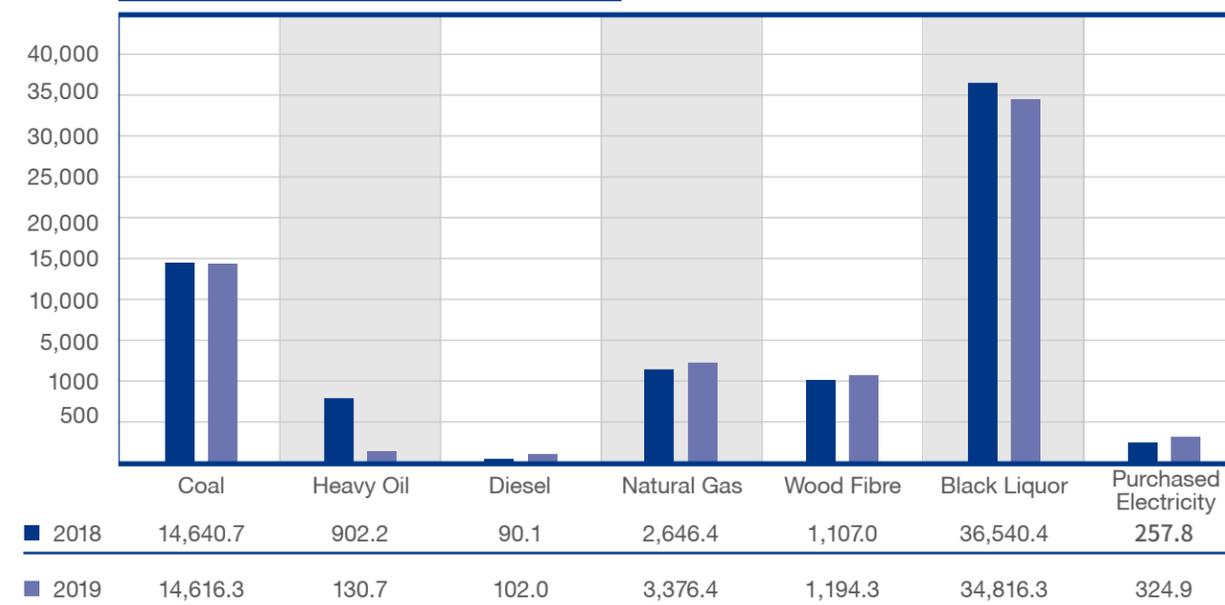
⁷ Level I baseline value of the Assessment Indicator System of Cleaner Production in Pulp and Paper Industry

4.2 ENERGY CONSUMPTION

Asia Symbol actively responds to the national energy-saving policies, adheres to the energy principle of "green and low-carbon, energy conservation and consumption reduction, professional supervision, all-staff participation", constantly improves the energy management system, strengthens scientific energy management and improves energy utilization efficiency. Asia Symbol Shandong obtained ISO50001 Energy Management System certification. Asia Symbol's energy composition mainly includes black liquor, raw coal, diesel, natural gas, heavy oil, electricity, etc. The steam and electricity are self-produced by cogeneration, and the black liquor and wood fibre generated in the pulping process could be fully used to provide biomass energy then reduce the fossil energy use.

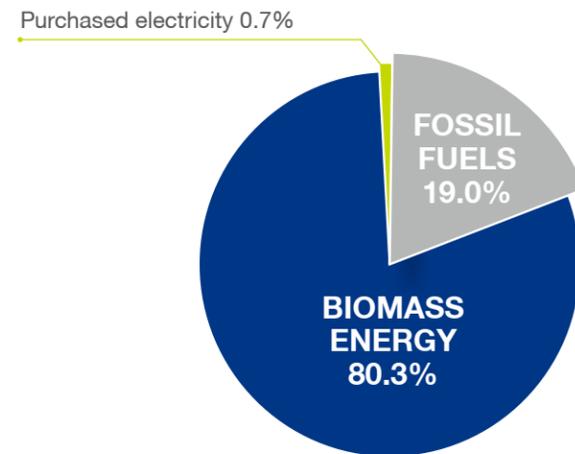
Most of the steam and electricity directly used in the production system of Asia Symbol Shandong come from biomass fuels such as black liquor and wood fibre, with purchased electricity as supplementary. During the reporting period, energy consumption in Asia Symbol decreased year by year while its production capacity increased.

Energy consumption of Asia Symbol (unit: TJ)



In 2019, biomass energy use in Asia Symbol Shandong accounted for 80.3% of the total energy consumption of the whole plant.

Energy structure of Asia Symbol Shandong in 2019



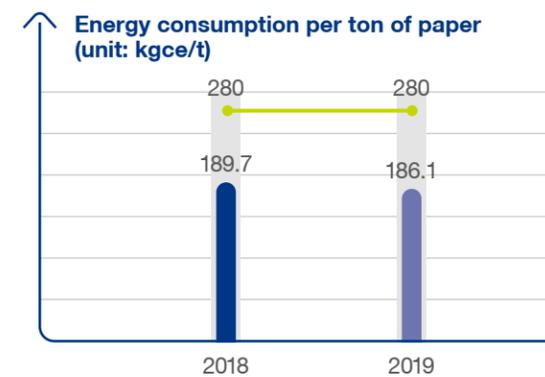
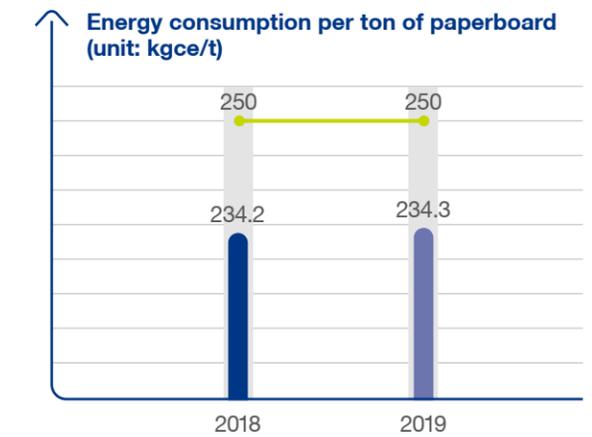
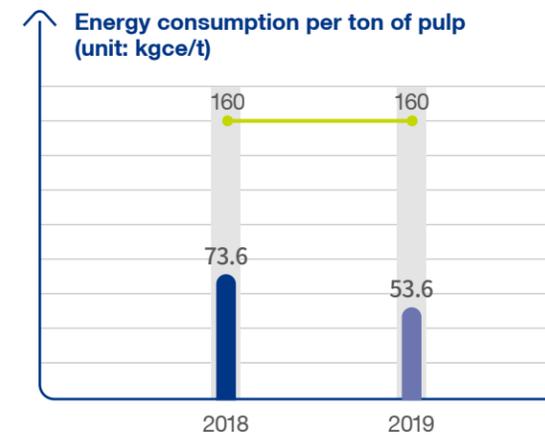
Asia Symbol continues to improve its production, optimize its processes to reduce the comprehensive energy consumption per unit product. The comprehensive energy consumption per unit product of all kinds of products is superior to the international advanced level, and reached the industry-leading level. Through the establishment of the intelligent energy management system, we collect data through the intelligent instrument instead of the operator on duty, and automatically upload the data to the management platform for statistical analysis, which could not only improve the data accuracy and timeliness, but also greatly reduce the workload of employees. In 2018, cultural paper of Asia Symbol Guangdong won the "Energy Efficiency Forerunner of Paper Industry" of Guangdong Province; in 2019, Asia Symbol Shandong was rated as "Advanced Unit of Comprehensive Utilization of Resources in Shandong Province" by Shandong Provincial People's government.

During the reporting period, the energy consumption per unit of product in Asia Symbol were superior to the international advanced level⁸.



⁸ Level I baseline value of the Assessment Indicator System of Cleaner Production in Pulp and Paper Industry

— Level I baseline value



Energy saving benefits of water ring vacuum pump

The PM11 paper machine of Asia Symbol Guangdong uses a water ring vacuum pump as a vacuum generating device to provide the required vacuum for the dewatering of paper sheets. Water ring vacuum pump is the widely-used vacuum equipment in the domestic paper industry, however, compared with the turbine fan, it has a big gap in efficiency. After investigation and analysis, Asia Symbol Guangdong invested RMB 23 million to reconstruct its vacuum system, used 6 turbine fans to replace the original 10 water ring vacuum pumps to control the vacuum and optimize the pipeline layout. In March 2019, the turbine fans operated well and the power consumption per ton of paper was significantly reduced, from the original 79 kwh/ton to 37-41 kwh/ton, which could save about 20.4 million kwh of power in one year.

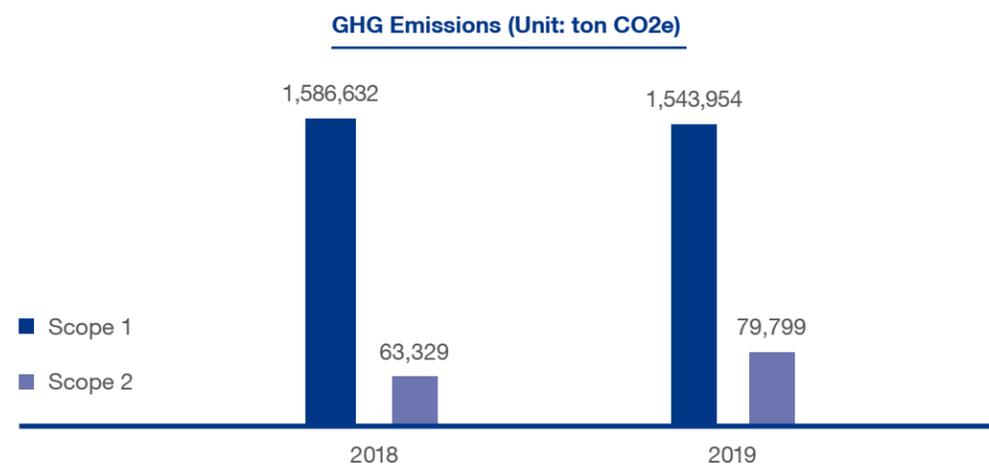


4.3 RESPONDING TO CLIMATE CHANGE

Asia Symbol is committed to low-carbon development, and continues to reduce the carbon footprint of its products while expanding its production capacity.

Asia Symbol regularly conducts Greenhouse Gas (GHG) accounting in accordance with the Guidelines for Greenhouse Gas Accounting and Reporting for Papermaking and Paper Product Manufacturer Enterprises (Trial) and Guidelines for Greenhouse Gas Accounting and Reporting for Chinese Power Generator (Trial).

In 2019, Asia Symbol GHG emissions decreased by 1.6% compared with 2018.



Asia Symbol Guangdong has been included in the emission control enterprise of Guangdong Province carbon emissions permit trading. Since then, the actual emission of Asia Symbol Guangdong annually is always lower than the emission quota issued. In 2019, Asia Symbol Shandong published the GHG Emissions Accounting and Reporting Procedures, which could strengthen the company's management of GHG emissions.



Tips:

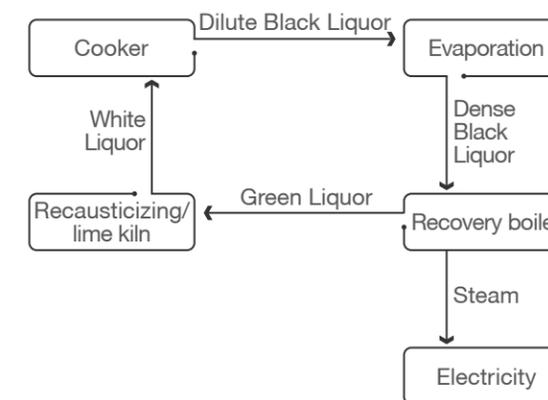
- Scope 1 refers to GHG emissions directly generated by emission sources (coal, natural gas, diesel oil, heavy oil, etc.) controlled by companies.
- Scope 2 refers to emissions generated from the use of secondary energy (electricity, steam).
- Scope 3 refers to indirect emissions of other raw materials, as well as other emissions from production activities of companies, such as business travel, employee commuting, etc.

In general, only emissions from scope 1 and 2 are used for calculation.



Black liquor generates power

About 50% of the lignin, hemicellulose and other substances in the pulping wood chips will be dissolved in the cooking liquor, which is called black liquor in our industry because its color is dark brown." Mr. Yang Heng, engineer of Asia Symbol Laboratory Center explained. In order to reduce the impact of black liquor to the environment and realize the reuse of resources, Asia Symbol Shandong utilizes the biomass thermal energy in black liquor to generate electricity, which can reduce more than 3 million tons of carbon emissions every year. The black liquor has been fully recycled.



4.4 POLLUTANT EMISSIONS

Asia Symbol firmly believes that "environmental protection is the lifeline of a company" and always insist on managing the company with the highest environmental protection standards. Both Asia Symbol Shandong and Guangdong passed ISO14001 environmental management system certification. They also formulated environmental management policies and environmental factor control procedures to serve as a working framework for all operations in the company. Meanwhile, we continuously carry out environmental protection upgrades, reducing pollutant emissions, commit to minimize the impact of our operation upon the environment.

Asia Symbol strictly abides by all environmental protection laws and regulations. We strictly follow the "Three Simultaneous" management requirements of construction projects. The wastewater, effluents meet pollutant discharge requirements, and solid waste and hazardous waste all have been handled according to environmental protection requirements. During the reporting period, Asia Symbol's environmental performance created the best performance in history, no environmental violations and major environmental accident occurred. Both Asia Symbol Shandong and Guangdong are Green Brand Enterprises with Environmental Credit in their provinces. From 2018 to 2019, Asia Symbol added RMB 426 million of investment in environmental protection, and the cumulative environmental protection investment has exceeded RMB 5 billion.



Creating a "green factory" to lead the sustainable development of the industry

In order to implement the "Made in China 2025", "Industrial Green Development Plan (2016-2020)" and "Guidelines for Green Manufacturing Engineering Implementation (2016-2020)" and other requirements, in March 2019, Asia Symbol Shandong prepared for the declaration of the "Green Factory" of the Ministry of Industry and Information Technology of the People's Republic of China, in order to improve the factory's green manufacturing system and create an advanced model of green manufacturing. After more than a year of hard work, Asia Symbol Shandong has met the requirements for "green factory" declaration and already passed the third-party evaluation. It has been recommended to the Ministry of Industry and Information Technology to participate in the follow-up strict audit and is expected to become the first company in Rizhao City to obtain the "Green Factory" title.

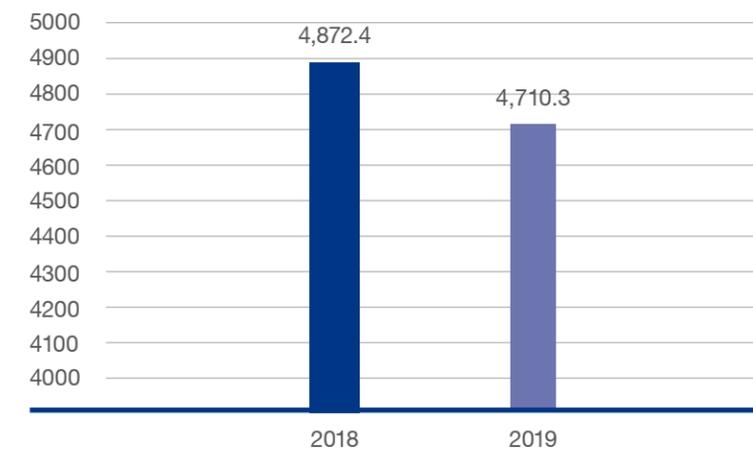
At the same time, as the leader in the sustainable development of the industry, in September 2019, as the main drafter, Asia Symbol Shandong participated in the formulation of the Shandong local standard "Green Factory Evaluation Standard for Pulp and Paper Industry, Part 1: Self-made Wood Pulp and Paper Manufacturer" to promote the implementation of "Green Factory" in the industry.

• Wastewater discharge

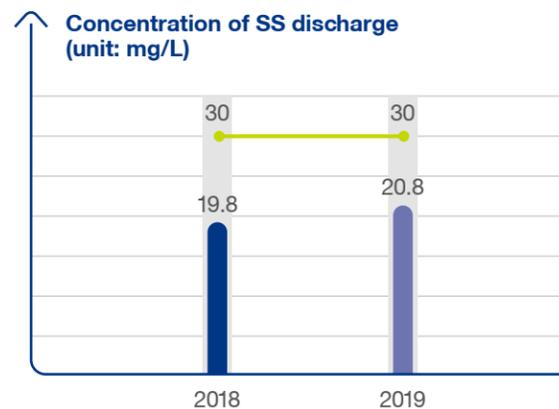
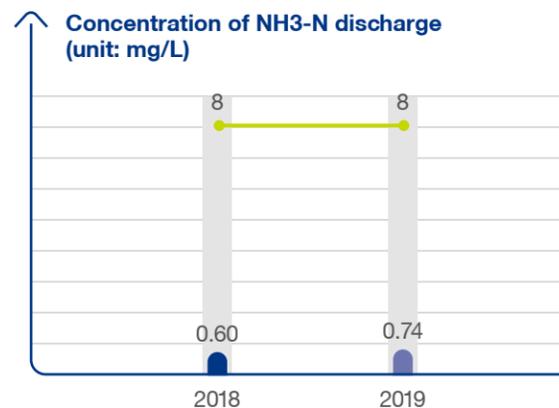
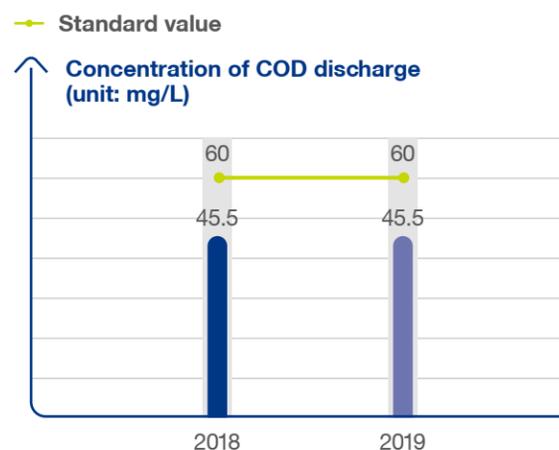
Asia Symbol reduces the discharge of water pollutant from the mill. The wastewater in the pulp and paper production process is mainly from steps including cooking, washing & screening, bleaching, papermaking, and alkali recovery etc. Asia Symbol adopts advanced pulp and paper wastewater treatment technologies including recycling white water to reduce waste. Asia Symbol is equipped with a full set of automatic devices to realize the integration, automation and stabilization of the wastewater treatment system, to ensure the safety and effectiveness of the wastewater treatment process, and to ensure that the wastewater discharge complies with industry standards.

The treated wastewaters of Asia Symbol Shandong and Guangdong are released into Yellow Sea and Yamen River, respectively. During the reporting period, the wastewater discharge volume of Asia Symbol continued to decrease, and all water pollutants can meet the discharge standards, which were far below the national discharge standard limits.

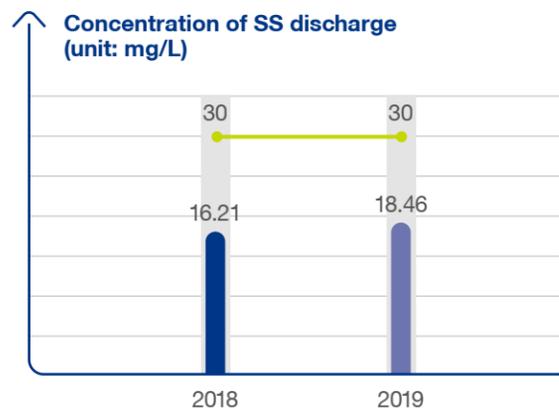
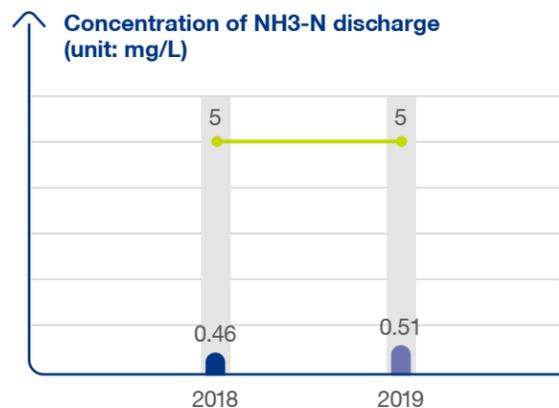
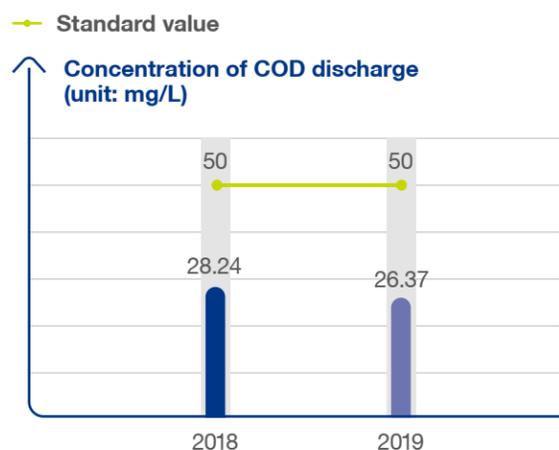
Wastewater discharge amount (unit: ten thousand ton)



Annual average concentrations of the main pollutants discharge in Asia Symbol Shandong are as follows⁹:



Annual average concentrations of the main pollutants discharge in Asia Symbol Guangdong are as follows¹⁰:



⁹ National standard reference: DB37/3416.5-2018 Integrated wastewater discharge standard for river basin, Part 5: Peninsula Basin
¹⁰ National standard: GB3544-2008 Wastewater Pollutant Discharge Standard for Pulp and Paper industry, Paper mill requirements: SS Limit please refers to Table 2, COD and NH3-N Limits please refer to Table 3



Advanced treatment upgrading of wastewater treatment plant

In 2018, Asia Symbol Guangdong invested about RMB 18 million to upgrade the existing wastewater treatment plant and completed the commissioning in 2019. Through optimization and upgrading, the wastewater treatment plant is more stable and has shown to be more adaptable to the changes in wastewater quality. Furthermore, the removal efficiency of pollutants in wastewater has been further improved, especially the removal efficiency of nitrogen.



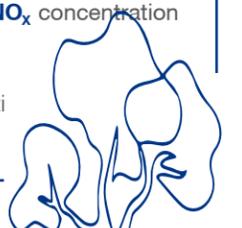
Wastewater Treatment Plant of Asia Symbol Guangdong

Exhaust emission

"Act to make China beautiful". As a manufacturer, Asia Symbol is committed to helping society as well as reducing air pollutant emissions with actual investment and concrete actions. In 2019, we completed our ultra-low emission upgrade of our exhaust emission. Asia Symbol Shandong invested 290 million RMB to carry out the ultra-low emission upgrade of the recovery boiler, lime kiln and NCG back-up combustion furnace, and Asia Symbol Guangdong invested 16 million RMB for desulfurization to remove sulfur from boiler flue gas and dust removal reformation. Specific measures include:

Asia Symbol Shandong

- In 2018, one lime kiln completed denitration and dust removal reformation: ozonation denitration method was used to reduce NO_x concentration to below **100mg/m³**, and electrostatic precipitator and wet electrostatic precipitator were adopted to reduce dust concentration to below **10mg/m³**;
- In 2019, 1# recovery boiler completed dust removal reformation: the original 3 "three-field electrostatic precipitators" of the recovery boiler were removed and replaced with 3 "five-field electrostatic precipitators", which were used in parallel so as to increase the dust removal effect and reduce dust concentration to below **10mg/m³**;
- In 2019, 2# recovery boiler completed denitration and dust removal reformation: ClO₂ oxidation denitration method was adopted for denitration outside the boiler to reduce the NO_x concentration to below **100mg/m³**. 4 four-field electrostatic precipitators of the recovery boiler were modified, and 2 five-field electrostatic precipitators were added in parallel to reduce the dust concentration to below **10mg/m³**;
- In 2019, 2# and 3# lime kilns completed denitration and dust removal reformation: the 2 lime kilns of phase two adopt "five-stage electrostatic precipitator + ClO₂ denitration" technologies to reduce NO_x concentration to below **100mg/m³** and dust concentration to below **10mg/m³**;
- In 2019, back-up NCG combustion furnace completed denitration reformation: the ozonated denitration method was used to reduce NO_x concentration to below **100mg/m³**.

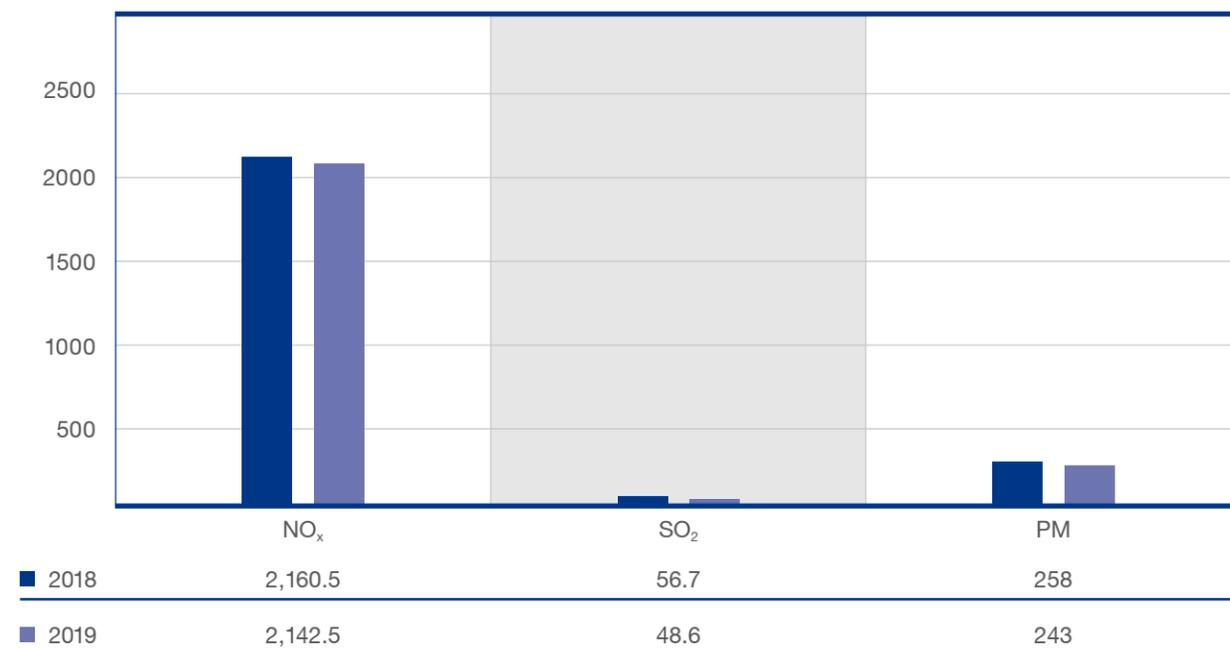


● **Asia Symbol Guangdong** ←

- ▶ In 2018, the power boiler flue gas emission treatment system was upgraded and reformed. The wet dust removal process was adopted, and the desulfurization tower was reformed together to improve the desulfurization and dust removal efficiency, which made the sulfur dioxide and dust emission meet the ultra-low emission standard;
- ▶ In 2019, NO_x ultra-low emission reformation project was launched. After investigated several successful flue gas treatment projects, Asia Symbol Guangdong plans to use low-nitrogen combustion technology to make NO_x meet the ultra-low emission standard.

During the reporting period, the quantity of main air pollutants emissions in Asia Symbol were as follows:

Air pollutants emission (unit: ton)



● **Waste management**

Asia Symbol vigorously promotes the development of a circular economy, actively practices the production mode of "Reduce, Reuse and Recycle", and implements resources reduction and regeneration initiatives through recycling of pollutants.

The solid waste generated in Asia Symbol includes wood fibre, slag, sludge, etc. The comprehensive utilization rate of solid waste in Asia Symbol Guangdong has reached 100%. Beside green mud and digested lime slag gravel, all other general solid waste are 100% comprehensive utilized in Asia Symbol Shandong, for the waste cannot be recycled are sent to the landfill for centralized landfill disposal in strict accordance with the relevant national laws and standards.

Asia Symbol Shandong

Solid waste	2018 (Unit: Ton)	2019 (Unit: Ton)	Treatment Method
Wood fibre	87,586	82,840	Incineration or sold for comprehensive utilization
Pulp slag	5,297	6,566	Sold for comprehensive utilization
Coal ash dregs	48,544	44,803	Sold for comprehensive utilization
Sludge	43,379	43,792	Sold for comprehensive utilization after incineration in boiler
Green mud, digested lime slag gravel	16,847	12,571	Landfill

Asia Symbol Guangdong

Solid waste	2018 (Unit: Ton)	2019 (Unit: Ton)	Treatment Method
Fly ash	61,706	45,995	Sold for comprehensive utilization
Slag	18,062	12,808	Sold for comprehensive utilization
Desulfurization gypsum	14,259	10,862	Sold for comprehensive utilization
Other solid waste	9,481	8,897	Sold for comprehensive utilization

There is only a small amount of hazardous waste generated in Asia Symbol, among which black liquor is burned as biomass fuel or utilized by Asia Symbol directly, the rest is sent to qualified units for transfer and disposal.

4.5 RESPONSIBLE SUPPLY CHAIN

Asia Symbol fully integrates the concept of sustainable development into the procurement practice, carries out responsible sourcing practices, strictly abides by laws and regulations, and integrates morality, labor, environment, fair operation and other factors into our supplier evaluation through direct or indirect procurement. Both Asia Symbol Shandong and Guangdong have obtained the Chain of Custody Certification by China Forest Certification Council (CFCC) and Program for the Endorsement of Forest Certification Schemes (PEFC). Asia Symbol does not only want to become a responsible supplier, but also hopes to influence suppliers to fulfill their environmental and social responsibilities through our purchasing behavior, so as to realize the synergetic development with the upstream and downstream of the supply chain together.



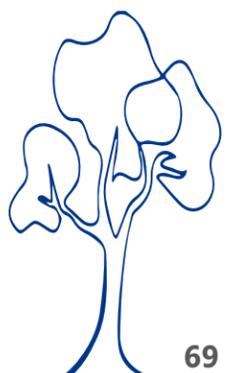
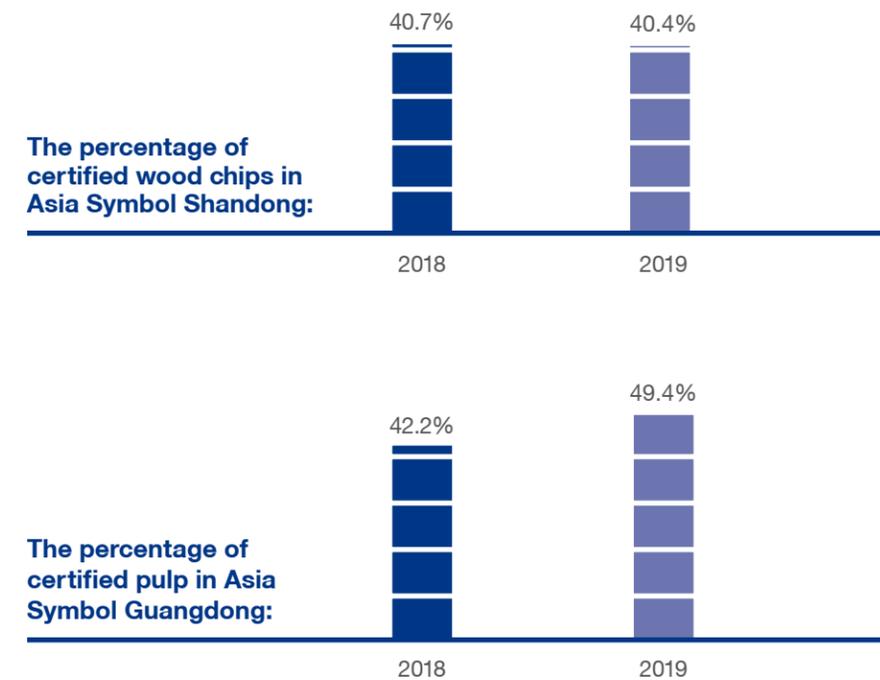
From 2018 to 2019, Asia Symbol has added 541 new suppliers, and have conducted environmental and social evaluation on all new suppliers.

Wood chips and pulp are our main raw materials, which are of crucial importance in our responsible sourcing practices. We regularly review and update our Woodchip and Pulp Sourcing Policy¹¹. Based on the sourcing policy, we carry out evaluation and screening to all the wood chips and pulp suppliers, and strictly follow the risk evaluation and entry qualification. We also encourage our suppliers to obtain Chain of Custody Certification for their forest products. Verified by a third party, all wood chips and pulp used in Asia Symbol are traceable.



¹¹ Asia Symbol Woodchip and Pulp Sourcing Policy <http://www.asiasymbol.com/sustainability/wood-pulp-sourcing-policy>

The wood chips used in Asia Symbol (chips of acacia, eucalyptus, and coniferous forest) are mainly from Australia, Chile, Brazil, Vietnam, Thailand and Malaysia, while the pulp comes from Canada, Indonesia and China. During the reporting period, the proportion of PEFC/CFCC certified wood chips and pulp were as follows:



可持续发展的践行者



**FOUNDER'S
DAY 2019**



亚太森博

Sustainable Development Practices

开发 资源 创造 绿色

Living Lives Developing Resources Sustaining



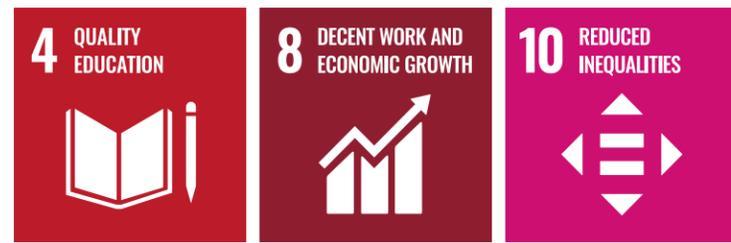
05 GOOD FOR COMMUNITY

Asia Symbol sees engagement with our stakeholders such as communities and our employees as an important part of our journey. We attach great importance to employees' welfare, training, development, as well as occupational health and safety. We commit to creating a good working environment for our employees. We provide opportunities for our employees to volunteer in several of our CSR programmes that are geared towards improving the lives of people from communities where we operate.



FOUNDER'S
DAY 2019

the more you give the more you have



5.1 EMPLOYEES' RIGHTS AND BENEFITS

We respect human rights and believe that our own staff are our most important asset. In 2017, we released Asia Symbol's Human Rights Policy, publicly committing to respect internationally recognized human rights in International Charter of Human Rights of the United Nations, respect the labor rights declared in International Labor Organization Declaration on Fundamental Principles and Rights at work, as well as further align our operations with the Business and Human Rights Guiding Principles of the United Nations. We ensure employees' legitimate rights, and provide competitive compensation and benefits. We advocate equal employment opportunity, as well as follow the principle of openness and fairness in terms of recruitment, training, promotions, compensations and benefits. During the reporting period, no violations of human rights such as child labor, discrimination and forced labor occurred.

Asia Symbol Human Rights Policy

Asia Symbol Human Rights Policy was formulated in line with Royal Golden Eagle (RGE) Forestry, Fiber, Pulp & Paper Sustainability Framework and Asia Symbol Sustainability Policy.

Commitment

We promise to respect the internationally recognized human rights established by the United Nations International Charter of Human Rights, and to respect the labor rights stated in the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization, as well as the provisions of the United Nations Guiding Principles on Business and Human Rights. During the production of products, provision of services, managing operations and business relations, we respect human rights of our employees, consumers, communities and related persons in the supply chain, and avoid the action of human rights violations, so as to ensure that they work and live under the environment and conditions under which their rights and dignity are respected.

We promise to respect the internationally recognized human rights and the labor rights, including but not limited to: right to non-discrimination, right to life, right to liberty and security of person, right not to be subjected to slavery, servitude or forced labour, right to form and join trade unions, right to collective bargaining, right to equal pay for equal work, right to work under reasonable and favorable conditions, right to health, right to education, right to social security and so on.

Implementation

We will carry out our duties on respecting human rights in accordance with relative provisions of the United Nations Guiding Principles for Business and Human Rights, which include that the duties for respecting human rights will be integrated into our policies, procedures and responsibilities via human rights due diligence management, in order to prevent, reduce and eliminate negative impacts on human rights.

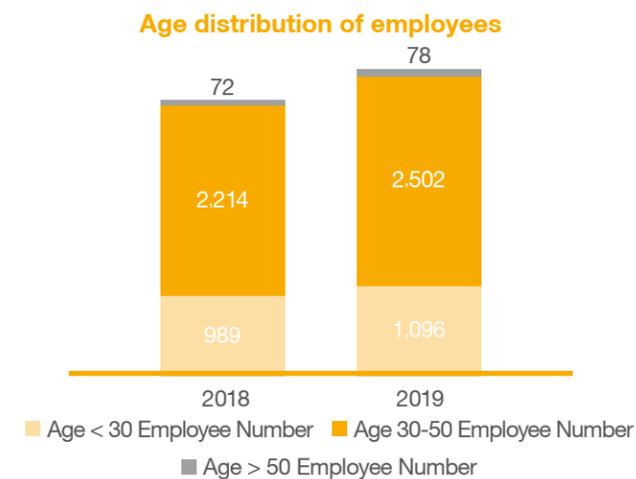
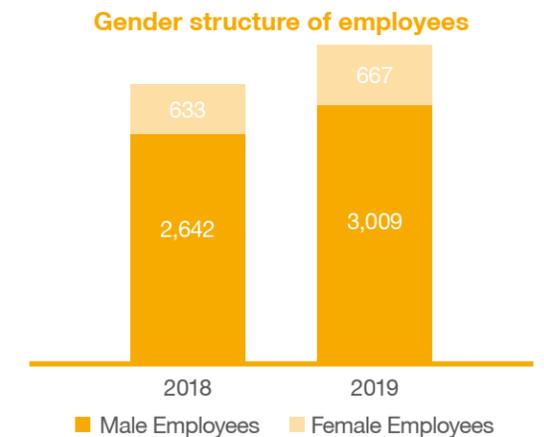
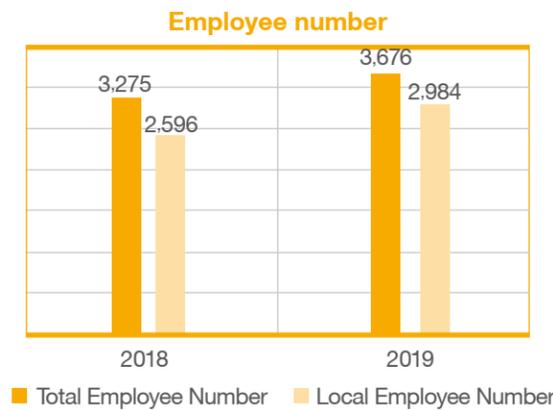
Remediation

Once we find that we have negative impact on human rights of others, we will start the legal procedure for remediation or participate in remediation of the negative impact.

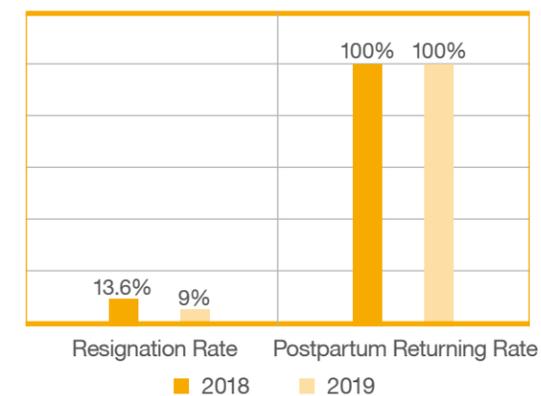
We will keep effective communication with stakeholders, so as to ensure that they can help us with keeping the promise of human rights stated in this policy.

5.1.1 Employment Profile

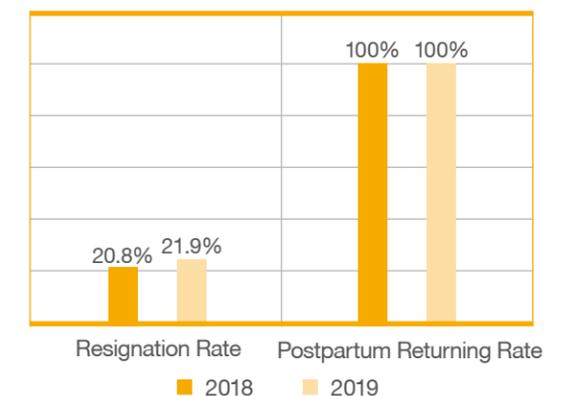
Asia Symbol employs individuals via contracts that abide by labor laws and other related regulations to protect their legal rights. By the end of 2019, Asia Symbol employed 3,676 full time staff, 81.2% of whom (2,984 people) are local employees.



Asia Symbol Shandong resignation rate and postpartum returning rate



Asia Symbol Guangdong resignation rate and postpartum returning rate



5.1.2 Compensation and Benefits

We provide equal pay for equal work and provide competitive compensation and benefits to employees. We regularly participate in market salary surveys to keep our employee salaries are competitive within industry.

Compensation and benefits policy for Asia Symbol employees

- Provide employees with 13-month salary and performance bonus;
- Paid housing fund program and social security program, including pension, medical, work injury, maternity and unemployment insurance for employees;
- Employees enjoy statutory national holidays, paid annual leave, compassionate leave, sick leave, marriage leave, maternity leave, funeral leave and work-related injury leave;
- Provide employees with Employer's Liability Insurance or Group Accident Insurance;
- Provide attendance employees with food allowances and employees on shift duty with additional allowances;
- Provide holiday gifts for employees;
- Provide marriage, birth and condolences cash gift for employees;
- Provide free shuttle bus services for employees;
- Provide employees with heating allowance for winter and high temperature allowance for summer;
- Provide work uniforms for employees;
- Organize annual health examinations for employees;
- Organize various recreational and sport activities for employees;
- Set Safe Production and Environmental Protection Award, Continuous Improvement Award, Excellent Team /Employee Award, Group Special Award and On-duty Invention Award for employees.

5.1.3 Employees' Benefits and Care

Labor Union

Asia Symbol established a Labor Union and encourages its employees to join. To date, 98% of Asia Symbol employees are union members. The Labor Union organizes events for its members to participate in the company's democratic decision-making, in the management and supervision of the company, and makes efforts to safeguard the legitimate rights and interests of employees. Employees can participate in the discussion of major company matters during the Annual Labor Union Congress or present their opinions and suggestions on General Manager's Communication Day as well as during the Employees Representative Symposium.

Protection for Female Employees

Asia Symbol Labor Union signed a Special Collective Contract for the Protection of Special Rights and Interests of Female Employees with the company, which elaborates on the protection and respect for female employees in terms of labor protection, career development and democratic participation.

Assistance to Employees in Difficulties

Asia Symbol established a special assistance mechanism for employees suffering from critical diseases or accidents. From 2018 to 2019, about 617,000 RMB was spent to help 16 employees.



Convenience, Respect, Warmth – Mom's Love Nest

We are committed to providing our employees, especially female employees with a safe and nurturing working environment. In response to the needs of mothers who need a space for breastfeeding their newborn babies, we designated a special room called "Mom's Love Nest". The space also provides an opportunity for the mothers to connect to other mothers in the company, creating a sense of belonging and happiness for everyone.



Asia Symbol Guangdong organizes staff meeting regularly to listen to the employees

The HR and Administration departments of our Asia Symbol Guangdong mill organise monthly meetings and facilitate an engagement between colleagues and managers from different departments. From 2018 to 2019, around 24 meetings were organized and were participated in by 274 people.

Employee representatives raised inquiries on canteen quality, shuttle bus management, administration, salary and welfare, company policies, employee development, among other things. A representative from HR and Administration attended these meetings and answered the questions.

The staff meeting provides a communication platform between management team and employees, as well as being a safe space where employees can express personal opinions and suggestions, building trust between employees and management.



• **Enrich Employees' Spare-time Life**

Asia Symbol encourages employees to balance work and life, respects employees' habits and interests, supports employees to establish groups like Run Group, Riding Group and Photography Group, among others. Both the company and the labor union organize regular recreational and sports activities, such as sports meetings, outdoor trainings, sororities for single youth, family days, singing competitions, and spring festival galas.



Spring Festival Gala of Asia Symbol Shandong



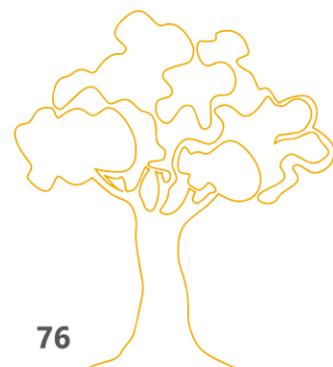
Sports Meeting of Asia Symbol Guangdong



Sports Meeting of Asia Symbol Shandong



Outdoor training of Asia Symbol Shandong



5.2 EMPLOYEE TRAINING AND DEVELOPMENT

Asia Symbol adheres to the core values of "People" and provides growth and development space for all employees.

5.2.1 Employee Training

Asia Symbol has established an optimized training system and training modules to improve the ability of employees. The modules include basic training, technical training, management and leadership training, talent management and development training, as well as functional training.

Training Modules	Key Content of Training
Basic Training	To socialize employees with company profile, rules and policies, core values, safety and fire protection, ensuring they are knowledgeable of company culture, history, and values.
Professional and Technical Training	To enhance the technical knowledge, expertise and experience in various roles within company, improving quality and synergy across teams.
Management and Leadership Training	To improve the general management and leadership ability of managers, ensuring that they lead their teams effectively.
Talent Management and Development Training	Train reserve talents to meet the growth demand of the company, including Graduate Trainee program, Yuanmeng program.
Functional Training	To improve the professional knowledge and ability of employees in all functional positions within the company, ensuring they can fulfill their duties ably and efficiently.

Index	Unit	2018	2019
Total Training Time	Hour	242,149	248,110
Average Training Time of Employees	Hour	73.9	67.5



Core Values embedding training

In order to fully embed the core values of RGE Group, Asia Symbol Shandong and Asia Symbol Guangdong respectively carried out business processes culture training seminars for middle and high-level executives, and business processes culture embedding training for common employees. The main content of the training includes three parts: global code of conduct, performance management, recruitment and interview(for managers) of Singapore RGE Group, so that all employees can understand how the core values of RGE Group integrated into the business processes and how the core values closely integrated with daily work processes.





Asia Symbol Shandong "Fortress Training Camp"

In order to upskill front-line supervisors, Asia Symbol Shandong launched the "Fortress training camp" program, which includes courses such as management skills improvement, improving working relationships, resilience training, manager class, and management experience sharing of excellent team leaders. Lecturers from professional consulting firms were invited to give lectures on the training camp, bringing the latest management thinking and concepts to front-line supervisors. Many of the company's own excellent managers were invited to share their experiences, providing insights to staff. By the end of 2019, 119 front-line supervisors graduated from the program.



Asia Symbol Guangdong "Marketing Management Training"

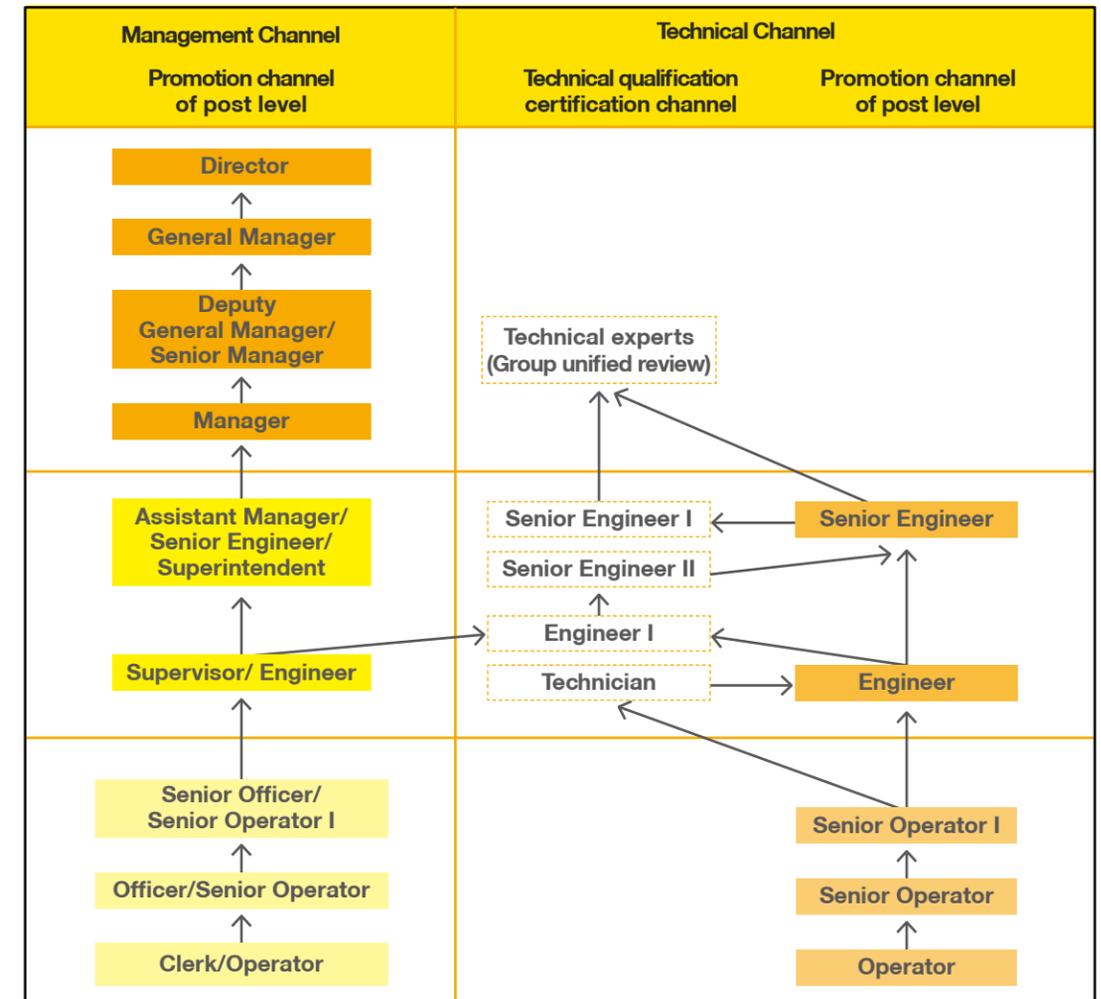
In order to improve the ability of our marketing team, Asia Symbol Guangdong collaborated with external training institutions and organized the training session "Whole network marketing promotion and data operation" and "Channel innovation – distributor management practice in the new era" in 2018 and 2019. The trainees actively interacted with the lecturers, asking questions and transforming their knowledge into actionable plans.



5.2.2 Employee Development

Asia Symbol provides employees with various channels for their career developments, they can choose their own development channel according to their own situation. For technical talents, technical channel is specially set up except the management channel. If an employee can't achieve his personal career development in case of limited management positions, he can get promotion or certification by technical channel. The dual channels model of career development reflects the company's emphasis on talent retention and employee career development.

Dual Channels of Employee Career Development



For supporting the career development of employees, Asia Symbol draws up an individual development plan through its talent development management system. All employees will receive their annual performance assessment and career development assessment. On the basis of helping employees to make short-term to long-term career development plans, the company will continue to invest in employees, improve their skills, stimulate their career potential through on-the-job training, cross department job rotation, and important project participation, and finally achieve their personal career development goals.

In support of the future development strategy and great ambition of the Group, Asia Symbol will launch a new development plan and career path for employees in 2020.



Apollo Project

Apollo Project is a talent development strategy to address future business expansion in the next decade. This project ensures that there will be an outstanding pool of team leaders through the implementation of multi-directional programs and programs of selecting, using, educating and retaining personnel, to realize the long-term strategic talent training program.

Three key pillars of Apollo Project

Sufficient talents to promote business



High quality and high quantity talents echelon matching business development

Strong local leaders



Global talent bank becomes the cradle of business leaders with competitive advantages facing the future

Integrated human resources



Integrated human resource management becomes a favorable guarantee for the success of business strategy



Successful case of talent training

Asia Symbol focuses on the long-term training of talents. In the ELP (Executive Leadership Program) talent development project, Asia Symbol constantly explores and cultivates our new employees to grow them into senior managers with excellent leadership and comprehensive business capabilities. Ms. Xiao Guangcai joined the company in 1999 and has participated in various leadership training programs. She started from basic level, got comprehensive development with her own efforts to learn pulp and paper production technology and practice, and comprehensively improved her business ability and business thinking in the international environment. She eventually took on the role of a manager of Asia Symbol's pulp, paper and fiber business, and is now the general manager of the company's pulp operations in Shandong. Her continuing journey with Asia symbol demonstrates that any ordinary employee can grow into becoming a general manager with the combination of outstanding talent cultivated by both the company's and her personal efforts.



5.3 OCCUPATIONAL HEALTH AND SAFETY

Ensuring the health and safety of our employees as well as other partners, does not only assure the continued success of our business but is also our social responsibility. Asia Symbol continuously improves the enterprise safety guarantee mechanism, strengthens the safety supervision, checks the hidden safety danger in time, strengthens the staff safety training, enhances the staff awareness, increases the personal protective equipment investment, and tries its best to protect the health and safety of our employees and related parties.

5.3.1 Safety Management

We spare no effort in minimizing the occurrences of accidents. All of our companies have passed the OHSAS18001/ISO45001 occupational health and safety management system. In order to ensure operational safety, both Asia Symbol Shandong and Guangdong have set up their own Safety Management Committees, with the general manager being assigned as the first person fully responsible for production safety of the company. Under the Safety Production Management Committee, Asia Symbol established sub-committees (including the fire control, electrical equipment, transportation, special equipment, public facility and hazardous substance sub-committees), to encourage professionals to become part of the sub-committees and participate in safety production management in a more professional and authoritative way.

All companies of Asia Symbol sign the safety responsibility certificate every year to emphasise the annual safety production target. During the reporting period, Both Asia Symbol Shandong and Guangdong carried out large-scale projects such as ultra-low emission transformation of boilers, which faced high safety risks. Each company strengthened the implementation of safety protocols, effectively preventing the occurrence of safety accidents, comprehensively achieved the goal of "Four Zeros" of safety of the company: Zero explosion, Zero fire, Zero death and Zero occupational disease.

Maintenance Committee

Asia Symbol Shandong attaches great importance to maintenance safety management. We established the Shutdown Maintenance Committee and implemented the subcontracting system of important work leaders to better organize and coordinate the shutdown maintenance work and ensure it safely, Asia Symbol Shandong has established. The committee is the first and final authority in deciding when maintenance work will be done, what exactly will be repaired, among others. Committee members are the direct leaders in charge of the specific work areas, and are responsible for preparing, tracking, supervising, and reporting the important matters to the committee for resolution.

Year	Number of accidents incurring lost time of Asia Symbol Shandong	Number of accidents incurring lost time of Asia Symbol Guangdong
2018	4	3
2019	2	3

Year	Injury Frequency Ratio of Asia Symbol Shandong	Injury Frequency Ratio of Asia Symbol Guangdong
2018	0.66	0.88
2019	0.26	0.87



Building "Golden Shield Enterprise" to create the best safety performance in history

2019 was an extraordinary year for the safety management of Asia Symbol Shandong. There were 9,049 contractors working in the company for the whole year. More than 5,600 people from 56 maintenance and technical renovation units were involved in the technical renovation of dust removal and denitrification facilities such as Alkali furnace and lime kilns. Asia Symbol Shandong experienced the most challenging overhaul in its history due to the tight timeline, immense tasks, as well as complex safety risks. With the company's advanced and optimized safety management system, responsible attitude, favorable prevention and control measures and the joint efforts of all employees, Asia Symbol Shandong's safety management achieved the best results in history: the number of injuries per 1,000,000 employee work hours has been reduced to 0.26, and no severely injured accidents happened to our contractors. This accomplishment was recognized and given the award "Advanced Unit of Safety Production in Light Industries of Shandong Province in 2019 (Golden Shield Enterprise)".



Asia Symbol Guangdong strengthens measures, further improving traffic safety

In order to control the traffic risk and strengthen the traffic safety management in the company, Asia Symbol Guangdong implemented the following measures to further improve traffic safety:

- 01 The speedometer was purchased in 2018, and the security team carried out speed measurement on company vehicles. The speed measurement results were publicized throughout the company and speeding vehicles were penalised.
- 02 From 2018 to 2019, speed bumps were gradually added at key intersections with heavy traffic flow to force vehicles to slow down and reduce accident risks.
- 03 Together with Storage Department (the main department of transportation in the company), the Safety Department implemented the following technical control measures for vehicles:
 - From March 2019, GPS monitoring was installed on the transfer flat cars.
 - At the end of 2019, dashboard cameras was added to large vehicles.
 - At the end of 2019, speed limiters were installed for forklifts.

Both Asia Symbol Shandong and Guangdong have company fire stations with their own fire-fighting vehicles and full-time firefighters. Under the professional guidance of fire engineers, we constantly improve our emergency rescue, fire prevention and control capabilities.

5.3.2 Safety Education

Asia Symbol attaches great importance to employee safety education, makes annual occupational health and safety training plan to establish safety training files for all employees. The company implements three-level safety education¹² for all employees, covering safe operation, occupational health and emergency management while continuously promoting adoption of safety measures as well as improving safety awareness. New employees must complete the safety orientation training when they enter the factory. Those who have been on leave for more than 6 months must complete the safety training before returning to work. Employees without training shall not be assigned to the post. At the same time, the company organizes various forms of emergency drills that place employees in simulated situations such as fires, hazardous chemical leakage, and limited space to improve the ability of all departments and employees to deal with various emergencies.

	2018	2019
Number of Emergency Drills	455	436



Joint fire drill

On June 27, 2019, a joint fire emergency drill was conducted between the Port Department of Asia Symbol Shandong and Yulang Wharf Company of Rizhao Port. The two parties successfully completed the drill and filled the gap of no emergency linkage between the two units in the related areas.



Winning the Advanced Collective of Enthusiastic Fire Protection Public Welfare in Guangdong Province

Asia Symbol Guangdong won the honorary title of "Advanced Collective of Enthusiastic Fire Protection Public Welfare" at "The 1st Anniversary Symposium of the General Secretary's Flag-giving Lecture and the Launching Ceremony of 119 Fire Protection Publicity Month" held by Guangdong Provincial Fire Rescue Corps on November 6th 2019. The company was the only organisation in Jiangmen City to win this award.



¹² Orientation Education, Plant Education and Team Education

In response to the call of national "Safety Production Month", Asia Symbol actively promotes safety knowledge through safety publicity, seminar, knowledge competition, essay contest and hidden safety trouble search and other activities to increase safety awareness as well as minimize accidents.



Chlorine leakage emergency drill



Firefighting skill competition



Safety contests



Special training of first aid knowledge



Asia Symbol Guangdong team won the first in the 10th Guangdong Provincial Safety Knowledge Competition in Jiangmen

On October 22, 2019, the 10th Guangdong Safety Knowledge Competition and the Selection Competition of Guangdong, Hong Kong and Macao Safety Knowledge Competition was held in Guangzhou. This competition is jointly organized by Guangdong Provincial Emergency Management Department, Guangdong Provincial Health Commission, Guangdong Provincial Federation of Trade Unions and Guangdong Provincial Research Institute of Work Safety Science and Technology. Asia Symbol Guangdong team won the first place in Jiangmen Division and participated in the provincial preliminary final on behalf of Jiangmen, and won the Excellent Organization Award in the provincial preliminary final.



We are also committed to providing a safe working environment for our contractors. Asia Symbol integrates the safety management measures for our contractors into our safety management system, requiring the same standard and rigour be applied to both employees and our contractors.

In order to effectively control and minimize the safety risks of contractors, Asia Symbol has specially developed the Supplier Management Measures and Implementation Rules of Supplier Evaluation, and put forward clear safety requirements and audit standards in terms of supplier selection to ensure consistency and compliance. Before the contractor enters the factory, Asia Symbol and the contractor sign a safety management agreement to reiterate the safety management responsibilities of both parties. At the same time, we have formulated the "Safety Training Course for External Personnel", which provides safety training for all contractor personnel. After passing the training assessment, they can be allowed to enter the factory. During operations, the contractor must strictly implement all safety rules and regulations of Asia Symbol, including operation tickets management, safety technical disclosure, safety risk analysis, safety self-inspection, and conducting safety regular meeting. At the end of the contract, contractors will be commended by the company if it is shown that they did a good job in following the safety measures.

During the reporting period, Asia Symbol carried out trainings for a total of more than 10,000 external personnel, no severely injured accidents happened.



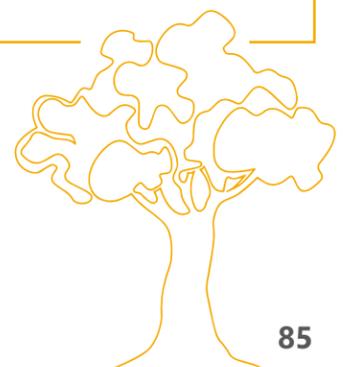
Contractor safety management database

In order to strengthen the safety management of contractors, Asia Symbol Shandong established a big database for contractors, including names, unit, type of work, insurance number, training record, and violation record. The database is used to evaluate the safety performance and technical level of the contractor, confiscate the pass of the personnel who seriously violate the rules or repeatedly violate the rules, list them in the blacklist, and permanently prohibit them from entering the factory. Through this kind of big data management, it can effectively reduce the risk of re-employment and help contractors to continuously improve safety performance.



Providing PPE for contractors

Asia Symbol Guangdong has standardized the labor protection requirements for contractors to enter the plant, requiring contractors to wear "three pieces" personal protective equipment - helmet, safety shoes, reflective vest, which not only ensures the personal safety of contractors in the plant, but also effectively identifies external personnel, which is more conducive to the safety management of contractors.



5.3.3 Occupational Disease Protection

We are committed to providing a healthy working environment for our employees. We have set up a special occupational health sub-committee to take charge of occupational health management as a whole. The types of occupational risks involved in the papermaking industry mainly include noise and dust pollution. Companies regularly entrust a qualified occupational health technical service agency to detect the hazard levels of noise, dust, high temperature, toxins and harmful chemicals. Test results are announced to the employees through the plant bulletin board. The safety management department will conduct on-site inspection on occupational health for each plant every month to identify opportunities for improvement. If it is found that the occupational hazard factors in the plant do not conform to the national and industrial standards via monitoring or during regular inspections, the production department will immediately take measures to resolve the issue.

We consider the occupational health management and protection of employees as a critical factor to our success. We established and improved occupational health management system and files, regularly carrying out occupational health knowledge training and providing corresponding personal protective equipment that meet the national standards. The company actively disseminates the information on occupational hazards, informs the employees with occupational hazards in written form about the exposure to occupational hazards and preventive measures, and regularly updates the notification board of occupational hazards in the plant. At the same time, pre post, on post and off post occupational health examination are carried out, and occupational contraindication will be properly and timely handled if found. Every year, Asia Symbol organizes all employees exposed to occupational hazards to take occupational health examination. In 2018-2019, Asia Symbol found no employee was suffering from any occupational disease.



Asia Symbol Guangdong promotes the use of employee PPE

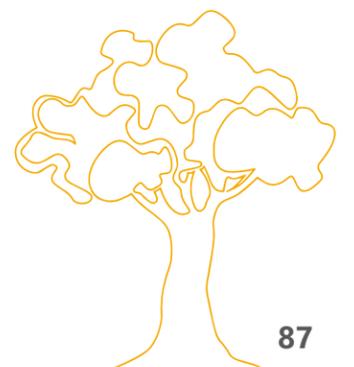
From 2018 to 2019, Asia Symbol Guangdong Security Department actively promoted the use of employee personal protective equipment, increased investment in labor protection, and optimized the configuration and management:

- 01 According to the noise characteristics of plant environmental, especially paper machine, power plant, finishing workshop and other high-noise areas, the wearing and use of protective earmuffs is actively promoted, and the hearing protection measures of employees are upgraded;
- 02 In-depth understanding of the daily work of front-line staff, in line with the actual needs of staff, let staff try before the selection of personal protective equipment, according to the feedback by staff to choose appropriate and comfortable personal protective equipment; at the same time, increase the configuration of personal protective equipment according to the working environment, such as anti-cutting gloves, hat strap earmuff, etc.
- 03 Apply personal protective equipment by e-processes, make the processes more efficient and convenient.



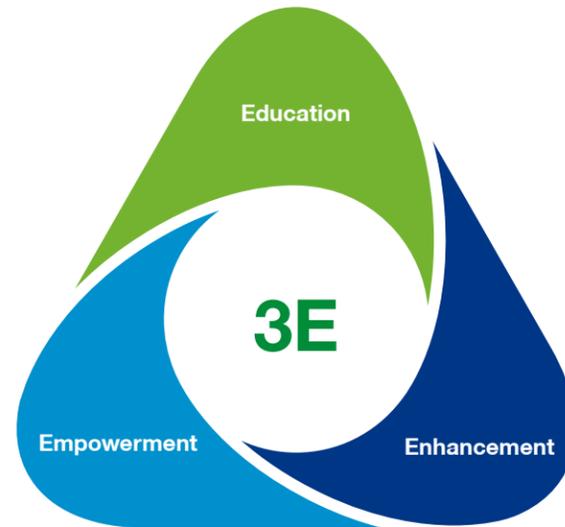
Launching public campaigns on “Law on Prevention and Control of Occupational Diseases” to increase occupational health knowledge

On April 26, 2019, Rizhao Municipal Health Commission and the Municipal Center for Disease Control and Prevention launched the 17th publicity week of the “Law on Prevention and Control of Occupational Diseases” in China. The on-site observation meeting was held in Asia Symbol Shandong, which not only invited experts in the field of occupational health, but also shared the experience of occupational health management. During the observation and exchange, the experts had a full exchange with the company's management, occupational health management personnel and the representatives of the company's front-line production personnel. They had interactive communication and answered questions about occupational hazards, health examination, disease diagnosis and legal obligations of the employer. Government functional departments, participating experts, representatives from surrounding enterprises and other participants visited the production site of the company, gave positive comments on the safe and comfortable occupational health environment created by the company for all employees, and the company's people-oriented occupational health management measures. Frontline staff also gained occupational health knowledge from the lectures of experts, which effectively improved the level of occupational disease prevention.



5.4 COMMUNITY ENGAGEMENT

As a responsible corporate citizen, Asia Symbol is committed to contributing to community development and bringing positive impact to nearby communities as well as the environment through philanthropic activities and community investment. Regarding community engagement, Asia Symbol follows "3E" strategy, which means "Education" support, local livelihood "Empowerment" and community "Enhancement".



5.4.1 Listening to the Voice of Communities

Asia Symbol has established an excellent communication and interaction mechanism with the communities. The community development teams visit communities regularly to listen to their voice so that to better understand their needs and work out solutions together. Asia Symbol also invites third parties to do research with communities regularly to understand the communities more professionally, more accurately, and more objectively. In addition, Asia Symbol invites community residents and stakeholders to visit the mills and have informal discussions in mill open days, improving mutual understanding and enhancing confidence between communities and enterprises.



Invited Center for Environmental Education and Communications of Ministry of Ecology and Environment and Chinese Academy of Social Sciences to carry out a survey of stakeholders in 2018



Villagers of Donghanjia Village visited Asia Symbol Shandong in 2019



Questionnaire survey of residents' needs in 2019

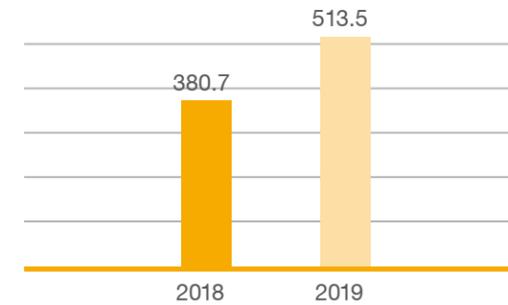


Villagers of Donghanjia Village visited Asia Symbol Shandong in 2019

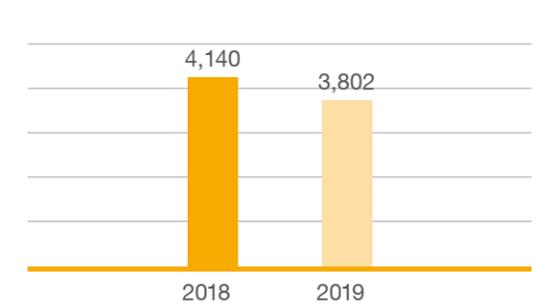
5.4.2 Community Investment

From 2018 to 2019, Asia Symbol invested 8.9 million RMB in total to support community development.

Community investment (unit: ten thousand RMB)



Employee volunteer service hour



Besides direct financial investment, Asia Symbol also encourages the employee volunteers to participate in community activities, serve the society and enjoy the rewards. By the end of 2019, the total registered number of employee volunteers in Volunteer Associations of Asia Symbol was 898. Asia Symbol employee volunteers contributed 7,942 hours of volunteer service from 2018 to 2019.

5.4.3 Founder's Day

In 2019, RGE Group launched Founder's Day series of CSR activities. In August, adhering to the principle of "The more you give, the more you have", all employee volunteers participated in community activities to serve and support community development.

The Founder's Day theme of 2019 was "Good for Community" and "Protect the Environment". Asia Symbol carried out 12 activities covering left-behind children care, ocean protection, environment protection and education. More than 460 employees participated in activities and contributed a total of 879.5 hours of volunteer work.



Asia Symbol Shandong volunteers participated in classifying books for Early Childhood Development Center in 2019



Asia Symbol Shandong donated books for left-behind children in 2019



Asia Symbol Guangdong volunteers spread the knowledge of garbage classification in Kengkou village in 2019



Asia Symbol Guangdong volunteers participated in "Paper One" hand-copied paper contest in 2019

5.5 COMMUNITY DEVELOPMENT PROJECTS

In accordance with the "3E" strategy of community development, Asia Symbol designed diversified community development projects in three aspects of "Education", "Empowerment" and "Enhancement" to improve the quality and management of school education and the well-being of community residents, combining enterprise resources with community needs.

"3E" Project framework

Category	Goal	Beneficiary	Key Project
Education	Improve education quality and management level	Community school Students Parents	Education promoting Yuanmeng Program Supporting Shalu kindergarten
	Improve the ability of community enterprises and residents	Community SMEs Community residents	Capacity building training for SMEs Capacity improvement training for community
Enhancement	Improve the health level, poverty alleviation and infrastructure of community residents	Community residents	Founder's Day series activities I'm paper maker star Hand in hand project Community support for poor families

5.5.1 Education

Creating high quality and fair educational resources through education promotion program

To support the education development of Rizhao, create high-quality and fair educational resources, Asia Symbol launched "Education promoting" program in 2014 which helps community schools improve their education and teaching level in several aspects including three dimensions of teacher training, scholarship and teaching awards as well as quality education.

From 2018 to 2019, Asia Symbol funded 1,034 teachers to participate in the capacity building training, awarded 1761 excellent teachers and students, and supported schools to carry out 33 quality education activities, benefiting 76911 people directly.



Yuanmeng program alleviates poverty through targeted education

In view of the difficulties in education and employment of rural poor college students, Asia Symbol and Rizhao local colleges cooperate to not only help poor college students bear the costs of tuition, but also design a vocational training route for them that they can work directly in Asia Symbol after graduation. In terms of poverty alleviation through education, Asia Symbol has developed an "Accurate recruitment", "Accurate funding" "Accurate educating" and "Accurate employment" approach to poverty alleviation through education.

By the end of 2019, the project has been held for nine consecutive sessions, with a total enrollment of 383 students and a total investment of more than 13 million RMB. At present, there have been six sessions of students (249 in total) who have completed their studies and have gone to work. These families have also been lifted out of poverty.



Building a kindergarten to support pre-school education

There has been no fixed place for kindergarten in Shalu village, Shuangshui Town, Xinhui District, Jiangmen City. The kindergarten used to rent various locations for its daily activities. With the support of the Education Bureau and the local government, Asia Symbol invested 1.53 million RMB to build a standardized Shalu kindergarten covering an area of 1,500 square meters. At present, the kindergarten can accommodate 160 children, creating a good pre-school education atmosphere for school-age children in the surrounding communities of Shalu. In addition, we will further cooperate with the Education Bureau and other kindergartens to improve the quality of preschool education in the area.



5.5.2 Empowerment



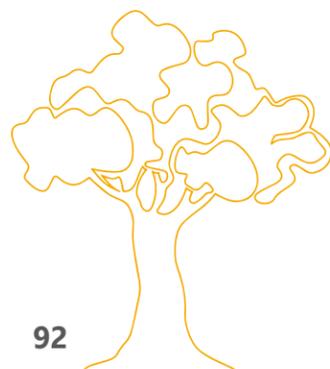
Enhancing capacity and promoting the synergetic development of SMEs

In order to improve the safety management ability of small and medium-sized enterprises (SME) in the community, Asia Symbol developed a "Safety management ability improvement plans" which can provide quarterly safety management ability training. At the same time, the company's safety management experts went to the SMEs for on-site supervision and quarterly inspections to help identify potential safety hazards and to address them accordingly.



Community capacity building and promoting community development

Asia Symbol Shandong helped the village committee prepare and create the official WeChat account of 'Donhanjia Village' to improve communication channels among residents. We also conducted professional training and guidance for relevant staff of the village committee, empowering them to effectively manage the community account.



5.5.3 Enhancement



"I am a Paper Maker Star" delivering a green lifestyle

"I made a new paper using an old one, and I can write and draw on it. It's amazing!" these were the most common reactions we heard from children participating in "I am a papermaker star" project.

China has been advocating sustainability concepts such as resource conservation, waste classification, among others. Combining the professional advantages of its own pulp and paper enterprises, Asia Symbol has designed and built "I am papermaker star" practical course for primary school students. Students use "waste paper" to make "new paper", simultaneously experiencing the awe-inspiring process of resource recycling! Up to now, the project has reached more than 30 primary schools and has conducted over 117 activities, involving more than 7,000 primary school students. The project has been selected as "Excellent CSR Cases of Foreign Invested Enterprises in China in 2015", and won the "Silver Medal of Shandong Youth Volunteer Service Project Competition", and "Best Volunteer Service Project in Rizhao City" in 2018.



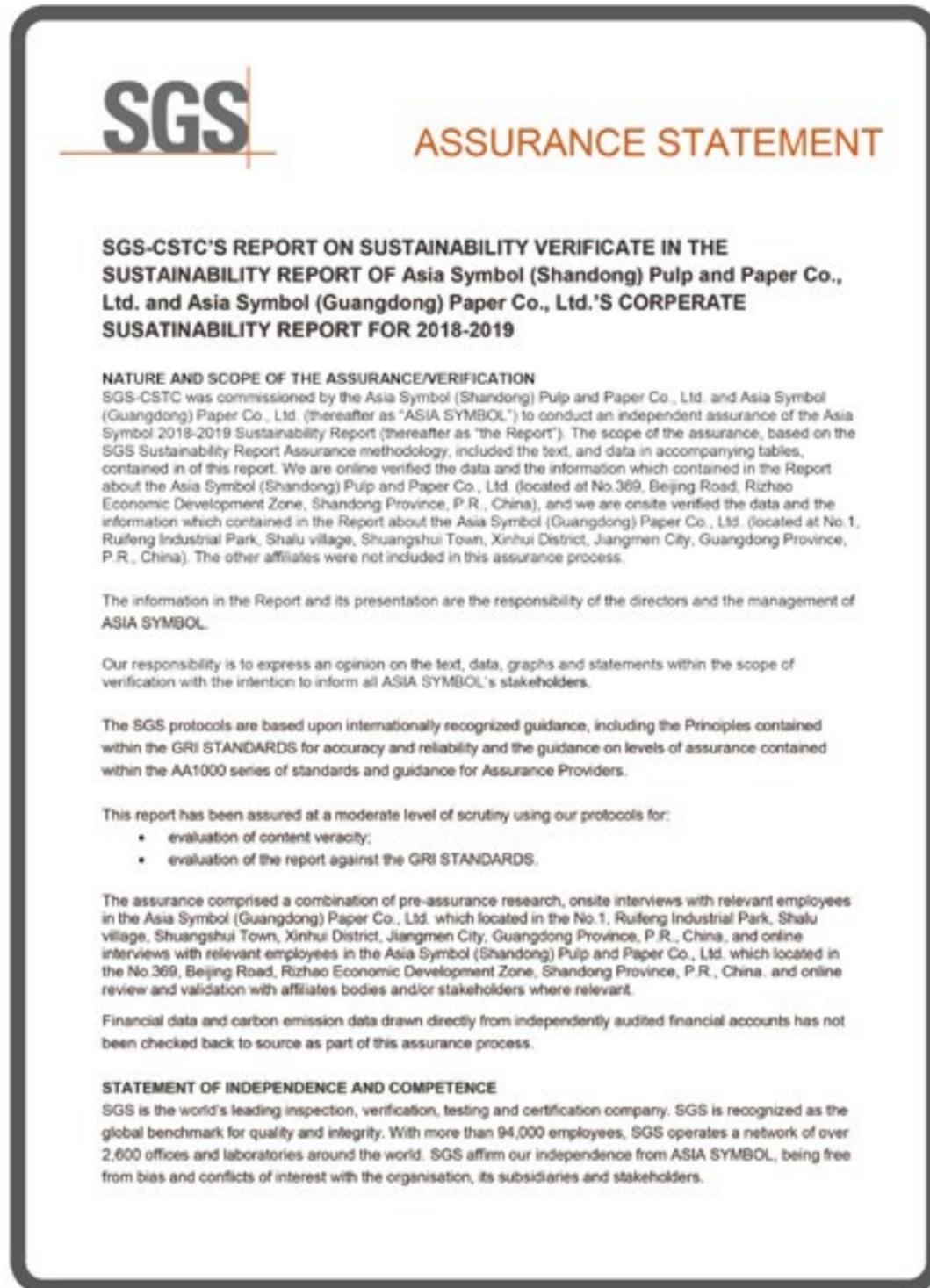
Hosting the first large-scale waste segregation activity in Jiangmen

In August 2019, Asia Symbol Guangdong conducted the Waste Segregation Activity in Kengkou village, Yamen Town, Xinhui District. Nearly 1000 people including Xinhui citizens, Yamen villagers and employees of surrounding enterprises participated in the activity.

This is the first large-scale waste segregation activity since the implementation of the waste classification scheme in Jiangmen City. Asia Symbol aims to promote waste segregation in a way that will be popular with citizens and villagers, increase the awareness of waste segregation, reduce waste generation, as well as build a harmonious community and beautiful countryside.



Third Party Assurance



SGS ASSURANCE STATEMENT

SGS-CSTC'S REPORT ON SUSTAINABILITY VERIFICATE IN THE SUSTAINABILITY REPORT OF Asia Symbol (Shandong) Pulp and Paper Co., Ltd. and Asia Symbol (Guangdong) Paper Co., Ltd.'S CORPERATE SUSATINABILITY REPORT FOR 2018-2019

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION
 SGS-CSTC was commissioned by the Asia Symbol (Shandong) Pulp and Paper Co., Ltd. and Asia Symbol (Guangdong) Paper Co., Ltd. (hereafter as "ASIA SYMBOL") to conduct an independent assurance of the Asia Symbol 2018-2019 Sustainability Report (hereafter as "the Report"). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in of this report. We are online verified the data and the information which contained in the Report about the Asia Symbol (Shandong) Pulp and Paper Co., Ltd. (located at No.369, Beijing Road, Rizhao Economic Development Zone, Shandong Province, P.R., China), and we are onsite verified the data and the information which contained in the Report about the Asia Symbol (Guangdong) Paper Co., Ltd. (located at No.1, Ruifeng Industrial Park, Shalu village, Shuangshui Town, Xinhui District, Jiangmen City, Guangdong Province, P.R., China). The other affiliates were not included in this assurance process.

The information in the Report and its presentation are the responsibility of the directors and the management of ASIA SYMBOL.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all ASIA SYMBOL's stakeholders.

The SGS protocols are based upon internationally recognized guidance, including the Principles contained within the GRI STANDARDS for accuracy and reliability and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- evaluation of content veracity;
- evaluation of the report against the GRI STANDARDS.

The assurance comprised a combination of pre-assurance research, onsite interviews with relevant employees in the Asia Symbol (Guangdong) Paper Co., Ltd. which located in the No.1, Ruifeng Industrial Park, Shalu village, Shuangshui Town, Xinhui District, Jiangmen City, Guangdong Province, P.R., China, and online interviews with relevant employees in the Asia Symbol (Shandong) Pulp and Paper Co., Ltd. which located in the No.369, Beijing Road, Rizhao Economic Development Zone, Shandong Province, P.R., China, and online review and validation with affiliates bodies and/or stakeholders where relevant.

Financial data and carbon emission data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE
 SGS is the world's leading inspection, verification, testing and certification company. SGS is recognized as the global benchmark for quality and integrity. With more than 94,000 employees, SGS operates a network of over 2,600 offices and laboratories around the world. SGS affirm our independence from ASIA SYMBOL, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with SGS Sustainability Reporting Lead Assuror, CCAA ISO 14001 Lead Auditor, CCAA OHSAS 18001 / ISO 45001 Lead Auditor etc.

VERIFICATION/ ASSURANCE OPINION
 On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within the Sustainability Report for 2018-2019 verified is accurate, reliable and provides a fair and balanced representation of ASIA SYMBOL sustainability activities in 2018-2019.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders.

We believe that the organisation has chosen an appropriate option for the reporting.

GRI STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS
 In our opinion the Report is presented in accordance with the core opinion for GRI STANDARDS and fulfils all the required content and quality criteria.

Stakeholder Inclusiveness
 ASIA SYMBOL had identified its stakeholders who affected by its activities and considered the reasonable expectations and interests from stakeholders, established channels and platforms for stakeholders' inclusiveness and took some certain ways to communicate and exchange information with stakeholders.

Sustainability Context
 ASIA SYMBOL had presented the efforts on sustainability development related to economic, environmental and social aspects and combined the performance in the wide context as well.

Materiality
 Based on the topics concerned by the stakeholders, ASIA SYMBOL had considered reasonably disclosing issues and indicators with materiality, which substantively influencing the assessments and decisions of stakeholders, to reflect the organization's significant economic, environmental and social impacts. It is suggested that the level of detail of the information in the Report should be disclosed according to the results of materiality analysis.

Completeness
 The Report included coverage of material aspects and boundaries, to reflect significant economic, environmental and social impacts and enable stakeholders to assess the organization's performance in the reporting period.

Balance
 The Report followed the balance principle and truthfully disclosed the positive and negative information.

Comparability
 ASIA SYMBOL had disclosed performance indicators in 2018-2019, previous data of key indicators were disclosed, which could help stakeholders to understand and compare the improved performance year by year. It is suggested to further enhance the comparative performance of the two plants and the last report.

Accuracy
 ASIA SYMBOL's information in the report was accurate, enable to release more qualitative and quantitative information with indicators for stakeholders.

Timeliness
 This is the fourth sustainability report released by ASIA SYMBOL from 2018 to 2019.

GRI Index

GRI STANDARD	DISCLOSURES NO.	DISCLOSURES CONTENT	CHAPTER
GRI 101: Foundation 2016	101	Foundation	About this report

GENERAL DISCLOSURES			
GRI 102: GENERAL DISCLOSURES 2016	ORGANIZATIONAL PROFILE		
	102-1	Name of the organization	1.1
	102-2	Activities, brands, products, and services	1.1
	102-3	Location of headquarters	1.1
	102-4	Location of operations	1.1
	102-5	Ownership and legal form	1.1
	102-6	Markets served	1.1
	102-7	Scale of the organization	1.1
	102-8	Information on employees and other workers	5.1.1
	102-10	Significant changes to the organization and its supply chain	1.1
	102-11	Precautionary Principle or approach	1.3
	102-12	External initiatives	2.3
	102-13	Membership of associations	2.3
	STRATEGY		
	102-14	Statement from senior decision-maker	President's address
	102-15	Key impacts, risks, and opportunities	President's address
	ETHICS AND INTEGRITY		
	102-16	Values, principles, standards, and norms of behavior	1.4
	102-17	Mechanisms for advice and concerns about ethics	3.4
	GOVERNANCE		
	102-18	Governance structure	1.2
	102-19	Delegating authority	1.2
	102-20	Executive-level responsibility for economic, environmental, and social topics	1.2
	102-21	Consulting stakeholders on economic, environmental, and social topics	2.3
	102-22	Composition of the highest governance body and its committees	1.2
	102-26	Role of highest governance body in setting purpose, values, and strategy	1.2
102-29	Identifying and managing economic, environmental, and social impact	2.4	

Clarity
 The Report was presented different ways with words, charts, graphics and pictures, also described with actual cases to ensure the stakeholders understanding easily.

Reliability
 ASIA SYMBOL had initially established a management process for the sustainability report, the information and data in the report were collected, recorded and analysed in a timely manner. The disclosed information and data were authentic and reliable.

Management Approach
 The Report had disclosed the management approach of identified material topics.

General Disclosures
 The general disclosures were presented in accordance with the core option of GRI Standards.

Topic-Specific Disclosures
 ASIA SYMBOL's topic-specific disclosures related to the material topics in economic, environmental, and social areas were in accordance with the core option of GRI Standards.

Findings and recommendations
 Good practices and recommendations for sustainability report and management process were described in our internal management report which has been submitted to the management of ASIA SYMBOL for continuous improvement.

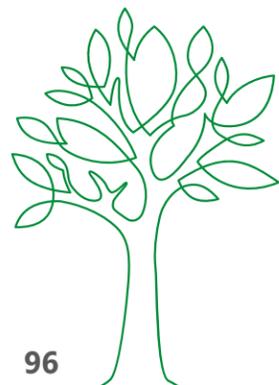
Limitations of assurance
 Due to the impact of Beijing COVID-19, Shandong company was verified by the online mode.

Signed:



For and on behalf of SGS-CSTC

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 2020-7-30
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GRI 102: GENERAL DISCLOSURES 2016	102-32	Highest governance body's role in sustainability reporting	1.2
	STAKEHOLDER ENGAGEMENT		
	102-40	List of stakeholder groups	2.3
	102-42	Identifying and selecting stakeholders	2.3
	102-43	Approach to stakeholder engagement	2.3
	102-44	Key topics and concerns raised	2.3
	REPORTING PRACTICES		
	102-46	Defining report content and topic boundaries	About this report
	102-47	List of material topics	2.4
	102-48	Restatements of information	About this report
	102-50	Reporting period	About this report
	102-52	Reporting cycle	About this report
	102-53	Contact point for questions regarding the report	About this report
	102-54	Claims of reporting in accordance with the GRI standards	About this report
	102-55	GRI content index	GRI Index of sustainable development report
102-56	External assurance	Third party verification	
ECONOMIC			
GRI 103: MANAGEMENT APPROACH 2016	103-1		
	103-2	Management approach disclosures	3.2
	103-3		
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct economic value generated and distributed	3.1
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-2	Significant indirect economic impacts	3.1.4
GRI 204: PROCUREMENT PRACTICES 2016	204-1	Proportion of spending on local suppliers	3.1.3
GRI 205: ANTI-CORRUPTION 2016	205-1	Operations assessed for risks related to corruption	3.4
	205-2	Communication and training about anti-corruption policies and procedures	3.4
	205-3	Confirmed incidents of corruption and actions taken	3.4
ENVIRONMENTAL			
GRI 103: MANAGEMENT APPROACH 2016	103-1		
	103-2	Management approach disclosures	4.4
	103-3		

GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	4.2
	302-4	Reduction of energy consumption	4.2
	302-5	Reductions in energy requirements of products and services	4.2
GRI 303: WATER AND EFFLUENTS 2018	303-1	Interactions with water as a shared resource	4.1
	303-2	Management of water discharge-related impacts	4.1
	303-3	Water withdrawal	4.1
	303-4	Water discharge	4.1
	303-5	Water consumption	4.1
2016 GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	4.3
	305-2	Energy indirect (Scope 2) GHG emissions	4.3
	305-5	Reduction of GHG emissions	4.3
GRI 306: EFFLUENTS AND WASTE 2016	306-1	Water discharge by quality and destination	4.4
	306-2	Waste by type and disposal method	4.4
ENVIRONMENTAL COMPLIANCE 2016	307-1	Non-compliance with environmental laws and regulations	4.4
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1	New suppliers that were screened using environmental criteria	4.5
SOCIAL			
GRI 103: MANAGEMENT APPROACH 2016	103-1		
	103-2	Management approach disclosures	5
	103-3		
GRI 401: EMPLOYMENT 2016	401-1	New employee hires and employee turnover	5.1.1
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1.2
	401-3	Parental leave	5.1.1
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1	Occupational health and safety management system	5.3.1
	403-2	Hazard identification, risk assessment and incident investigation	5.3.1
	403-5	Worker training on occupational health and safety	5.3.3
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	5.3.3
	403-9	Work-related injuries	5.3.1
GRI 404: TRAINING AND EDUCATION 2016	403-10	Work-related ill health	5.3.3
	404-1	Average hours of training per year per employee	5.2.1
	404-2	Programs for upgrading employee skills and transition assistance programs	5.2.2
	404-3	Percentage of employees receiving regular performance and career development reviews	5.2.2

2016GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	5.1
GRI 406: NON- DISCRIMINATION 2016	406-1	Incidents of discrimination and corrective actions taken	5.1
2016GRI 408: CHILD LABOR 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	5.1
GRI 409: FORCED OR COMPULSORY LABOR 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	5.1
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	5.1
GRI 413: LOCAL COMMUNITIES 2016	413-1	Operations with local community engagement, impact assessments, and development programs	5.4
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016	414-1	New suppliers that were screened using social criteria	4.5
GRI 416: CUSTOMER HEALTH AND SAFETY 2016	416-1	Assessment of the health and safety impacts of product and service categories	3.2.2
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	3.2.2

